THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

June 25, 1949

THE FOREIGN PRESS

AN EDITORIAL

Revolution And Science

R. D. Merrick

Nanking Diary

Hung K'uei

New Democracy--Theory & Practice

Charles V. Canning

REALISTIC APPROACH

AN EDITORIAL

VOLUME 114 JMP300 NUMBER 4

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Shocking Case

To The Editor:

Your editorial "Misplaced Emphasis," which appeared in the June 4th issue of the *Review*, attracted my attention and sympathy. Since the fall of Shanghai, the government has been returned to the control of the people of China. On reading the *Liberation Daily*, therefore, the headline "Five Russian Women Beat Chinese Boy" shocked me. No matter how bad the behavior of the boy was, it was illegal for the women to beat him.

Now times are changed, and foreigners no longer occupy the special position here that they used to. I think that the women concerned should be punished.

WONG SZE-LIANG.

Shanghai
June 15, 1949

Doctors' Problems

To The Editor:

I was very interested in your editorial "Medieval Hangover" (*Review*, May 21, 1949) recommending that the laws and customs regarding the medical profession in China be brought up to date.

As a doctor, I have been faced with a number of problems myself because of the lack of protection afforded both members of the medical profession and patients. The following case may illustrate the difficulties that doctors meet:

Mrs. Wang (we shall call her) was admitted into the Huie Seng Maternity Hospital at 5:00 a.m. on March 3. At 1:30 p.m., the attending doctor, Li Wei-chu, told the patient's husband that the patient was suffering from internal hemorrhage as the result of spontaneous rupture of the uterus. Because of this complication, he advised that the patient be subjected to an abdominal operation.

According to the case history, at 3:00 p.m., two hours before the patient's labor pains were recorded to be regular, pains came every five minutes, lasting for one minute. At 5:10 p.m., the patient went into shock; profuse cold sweating, palor, rapid and feeble pulse, and a drop in blood pressure. The patient died at 6:55 the same afternoon.

From the case history, it was very clear that the patient died of acute massive internal hemorrhage. Severe hemorrhages of this kind have claimed many pregnant mothers' lives even in the most up to date hospitals and under the care of the best obstetricians.

To undertake an emergency major operation with the patient in shock, as she was described at 5:10 p.m., is a very serious procedure, and there is less than a 30 percent chance that the patient can survive such an operation.

In cases of this nature, one group of obstetricians will run the risk of performing the operation; another group will defer the operation in the hope that the patient may improve from the shock and that the hemorrhage will be checked by the uterine contraction itself. There have been cases where the latter has happened.

Unfortunately, this case was complicated by the question of fees. The

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which might have been more than the patient's husband could pay but was not even enough to cover the cost of the medicines like anesthesia, etc., and the materials used for the operation. Thus, the fee asked was a reasonable one, but on the other hand the patient should not be deprived of the best medical care just because her husband was poor.

The Huie Seng hospitals are private maternity hospitals which have to be supported by the fees charged the patients. To keep a hospital going during the last few months has not been easy, and most hospitals today are not even in a position to pay their utility fees like water, electricity and gas. The wages for doctors, nurses and other attendants, by government order, had to be paid in silver dollars, which was actually more than they used to get under the cost of living index. And the artificial and unrealistic controls over inflation used by the KMT by such means as ruthless executions of silver dollar peddlers had only temporary effect and failed to help either the hospitals or the patients.

The doctors, nurses and hospitals have worked hard to keep the hospitals open and to keep their heads above water like everyone else. Therefore, the public should not be too hard on them in cases like the above where they did their best.

With the new government, it is up to all of us to work hard and make contributions in our own field. To maintain a good standard in medicine is no exception to this rule.

A DOCTOR

Shanghai
June 19, 1949

US Recognition

To The Editor:

US policy towards China since VJ Day has been an utter failure. It is time for the US to admit that failure and to initiate a new policy towards China. There has been a great deal of discussion in the US press as to whether America will or will not recognize the new regime in China quickly. Obviously formal recognition must wait until such time as a national government is established by China's Communists with the participation of such groups as the Democratic League and other democratic groups. But for the US to wait until such time to tell the American people of its necessarily changed policy and publicize its full admission of failure of the old policy would be foolish.

Comparisons are odious, it is true. But in this case the realism of the British Government is worthy of note. While the Americans continue to talk in a paternalistic vein about how much China needs American equipment and supplies—which is true—British business has quietly and cleverly established its initial contacts with the New Regime.

It is nonsense to talk of trade between China and the US as help from one country to another. Enough of that kind of American help! The US needs China just as much as China needs the US, at least in the long run. For American business would benefit considerably by sound reciprocal trade arrangements.

China wants to industrialize in order to raise the standard of living of her 450,000,000 people, and industrialization is the only answer. If the countries of the Western World—specifically the US and Great Britain—will trade industrial equipment for China's products or extend loans in a business-like manner, foregoing all the psychological attitudes which usually accompany the economic "big stick," there is no doubt but that China will industrialize more quickly.

When China becomes an economically healthy member of the family of nations, her influence on the other countries of

Asia will be tremendous. If industrialization in the underdeveloped countries of Asia can come only with the application of Communist-led programs like the "New Democracy," which seems to be the case, then sooner or later all of Asia will go the same way and no amount of American intervention will halt this historical trend.

So the sooner we Americans stop kidding ourselves about bringing the Four Freedoms to the *lao pai hsing* of Asia whose stomachs are empty and who don't know how to read and write their own names, the better. Man does not live by bread alone, 'tis true, but man needs bread first.

China has managed to shake herself a "New Deal" which looks as though it is here to stay. And the only harmonious basis for future relations between China's New Deal and the United States is a "Fair Deal" from Uncle Sam towards China. This means, recognize the new Government as soon as possible.

AMERICAN READER

Shanghai
June 12, 1949

Silver Dollars

To The Editor:

Ever since the Nanking-Shanghai area has been liberated by the Chinese Communists, all the people have been anxious to see commodity prices drop, but rice and other commodities have kept on rising. This is an abnormal situation and is doubtless due to silver dollar speculation. The People's Government, therefore, decided to ban the exchange of silver and US dollars and gold in the open market. All the poor people and workers support this policy.

Here in Chinkiang, provincial capital of Kiangsu, we at the Kiangsu Medical College mobilized ourselves and led all the middle schools to participate in the anti-silver dollar movement. We formed various groups which included propaganda, yang-ko dancing and singing units, and carried out our activities on the streets, warning people that the silver dollar threatens our livelihood. Now we hope that our actions will not be in vain and that commodity prices will remain stable.

YAO YEE-TSE

Chinkiang, Kiangsu
June 18, 1949

Cholera Treatment

To The Editor:

"There must be a great pestilence after a great war," is a Chinese proverb to which we must now pay attention. The following methods on the treatment of cholera may be of interest to your readers.

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amount asked was 60,000 gold yuan, ment of St. Xavier's College, Bombay) who reported that after trying 5 mgs. of Sulfa-comp 6257 (from which "Anti-Cholera" is made) 1,000,000 cholera bacteria in his test tube were killed. In Tanjore City, South India, since the introduction of Sulfa-comp 6257, the mortality rate from cholera has dropped from 60% to 4%. Wouldn't it be valuable for us to introduce this medicine to our people?

S. T. CHAO.

Shanghai
June 20, 1949

Foreign Press

To The Editor:

Now that Shanghai has been liberated, we do not know how the Chinese Communists are going to treat foreign magazines with our nation entering a new phase. I am sure this thing is in the minds of many of the *Review's* readers.

I say that any foreign paper in China which is of service either to us or to foreigners without doing any harm to us should continue to publish. This should apply to the *China Weekly Review*, which has been in China for more than 20 years and has published our cries and appeals without any prejudice during the period of KMT control.

TIEN CHEH-JIUN

Nanking
June 18, 1949

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Vol. 114 Shanghai, Saturday, June 25, 1949 No. 4

Shanghai's Foreign Press

THE *Giefang Rhbao* (Liberation Daily) on June 21 carried an article and an editorial commenting upon the intrigues of the foreign imperialists and singling out the British-owned *North China Daily News* for its publication of the false report that the mouth of the Yangtze had been mined by Kuomintang warships.

The article charged that the *North China* fabricated the whole mine laying story and said that it was an example of the well-planned intrigue of the British and American imperialists in trying to increase the difficulties of the people of Shanghai. All the people of the city, the article continued, are most indignant over the fabrication of rumors by the *North China Daily News* and have asked the Government to publish the paper.

In analyzing the report that the river mouth had been mined, the *Giefang Rhbao* article stated that the first news appeared in the *North China* on June 10 in a story which said that Shanghai was now closed to shipping. The *North China* had not been so informed by either the customs or the Military Control Commission, the *Giefang Rhbao* stated.

Following the publication of this false report in the *North China*, the story appeared in the American-owned *Shanghai Evening Post* which, it was charged, also fabricated the story. Later both the *United Press* and the *Associated Press* also carried the story. The day following, the paper pointed out, Admiral Badger, commander of US Naval forces in this area, issued a statement in Tokyo saying that the mouth of the Yangtze was "unsafe." This chronology was cited by the *Giefang Rhbao* to show the progress of the report, which was subsequently proved false.

In its editorial commenting upon this incident, the *Giefang Rhbao* charged that the British and American imperialists had purposely started the rumor that the mouth of the Yangtze was mined as an effort to further their aggressive aims in China.

Knowing that the collapse of the Kuomintang is unavoidable, the editorial continued, the British and American imperialists have shifted from direct military assistance to Chiang Kai-shek to attempts at political and economic intervention in the affairs of Liberated China. Shortly after the rumor was started, the paper charged, the imperialists declared that mine-sweeping is a complicated task and that the new People's authorities would require the assistance of the foreign imperialists to accomplish the task.

The argument of the *Giefang Rhbao*, it would appear, may be summarized as follows: The British and Americans, seeing that the defeat of the American-supported KMT is inevitable and also realizing that the days of foreign privilege are over are casting about for some new method of retaining their old position of eminence in China. In an effort to establish contact with the new authorities under favorable conditions, they started the false rumor that the mouth of the Yangtze was mined. At the same time they pointed out the difficulties and dangers of inexperienced people attempting to sweep mines. Then they came forward with an offer to lend technical and material assistance to sweep the mines away, hoping thereby to establish official contact with the new people's regime which would thus be indebted to the foreigners.

In conclusion the *Giefang Rhbao* stated that the People's Government will conduct an investigation into the source of this rumor, assessing responsibility for such criminal actions against the people. The Chinese people, it declared, cannot allow freedom of action for the perpetration of any criminal act against the interests of the Chinese people.

While it is naturally difficult for us to comment upon this whole case since we are not in a position to ascertain absolutely all the facts, especially since the authorities apparently have not yet completed their investigations of the original source of the rumor, there are some things regarding the foreign press in general which might be commented upon at this time.

During the past few weeks several stories have appeared in the two local English-language papers, either reported by the papers themselves or received from the various news agencies, which could easily have led to a misunderstanding.

The story of the mines, which to a large extent was admittedly speculation from the very beginning, was of course the most noticeable. Another one was the reporting of a speech by Chiang Kai-shek in which he was alleged to have made some references to bombing cities occupied by the People's Liberation Army forces. This story, vague as to its source and as to exactly what the ex-Generalissimo was supposed to have said, was hardly more than a rumor. Coming as it did at a time shortly after the occupation of Shanghai, its publication might easily have added greatly to the job of maintaining order here.

The stories relating to the passengers on the Shenking, some of whom were permitted to land and some of whom were forced to return to Hongkong, was, in our view, improperly handled. A great fuss was made in the press about the plight of these unauthorized passengers during the period when they were confined aboard ship in

The Giefang Rhbao (Liberation Daily) ran this frontpage cartoon attacking the North China Daily News for printing reports of the mining of the Yangtze River, which it later developed, were untrue. The unsightly looking creature poking its head through the pages of the paper is labelled "Intrigue of the invasion of China" and the caption reads: "No change in his original nature."

the harbor. It was never sufficiently emphasized that they came without any sort of official authorization and that they therefore had no reason to expect to be allowed to land. No country in the world permits foreigners simply to arrive at a seaport and land. They must first receive permission from the proper authorities in the form of visas or other required documents.

To play up the discomfort of the passengers who were forced to spend several days aboard ship and of some who eventually had to return to Hongkong was all beside the point. It was quite true that they were uncomfortable, but that did not constitute legal justification for permitting them to land. The authorities very understandably took the view that this was another manifestation of the ways things worked in the old days when foreigners could "get by" without conforming with the proper procedures simply because they were foreigners and thus were entitled to special favors.

The attitude of the local officials will, we feel sure, become clear and quite reasonable if one were to assume that it had been a ship loaded with Chinese which had blandly sailed into San Francisco and desired to land. How would the American immigration authorities have felt about it if the Chinese newspapers in that city had only lightly touched upon the matter of visas and had devoted daily space to stories about what a shame it was not to let them in since they were already there?

A similar incident, in our view, was the matter of the reopening of a foreign managed radio station. A great deal of publicity was given in both news and editorial columns in the foreign press to the reopening of this station. The authorities were urged to expedite its functioning and, finally, it was reported that permission had been granted. While there is certainly nothing wrong with a newspaper advocating the opening of a radio station which is to be operated along foreign lines if it believes that such a station is needed and is in the interests of the majority of the community and at the same time will have no injurious effects, it is another thing to report that the station has received permission to open when it actually has not.

Although there has been no official reaction regarding this inaccurate news report, there has been plenty of private Chinese comment. Some Chinese, in fact, brought up the matter immediately after the furor in the local press died down when it was discovered that permission had not been granted. The general reaction seemed to be that the *North China Daily News* and the *Evening Post*, desiring a foreign style radio station for the benefit of the foreign community, had fabricated the whole business, including the report that permission to open such a station had been granted, hoping that by this publicity the authorities' hands would be forced.

While we differ with this view, and believe that there is enough evidence to show that the papers were guilty only of error, it is important to note the reaction of some of our Chinese friends. From what little we know of the matter, it seems likely that the people negotiating with authorities misinterpreted the extreme politeness and agreeability of the Chinese officials as signifying assent and thus felt that they had actually been granted permission to open the radio station.

• • •

THERE is no denying the fact that all foreigners are having difficulty in adjusting themselves to the changed situation. For about a hundred years, foreign residents were usually shown extreme consideration and, for a very long time, actually occupied—by virtue of the unequal treaties—a better position than the native born Chinese. As foreigners we have to make an abrupt readjustment. The realization must come that we henceforth are guests who stay at the pleasure of the Chinese. Although in many ways we can contribute our bit toward the progress of this country, the new authorities may not consider such contributions worthwhile if the foreigners are going to present a "minority" problem.

In the matter of the foreign owned, foreign language press, editors are going to have to be extremely careful. We would be the last to suggest that the *North China* or the *Evening Post*, or the *China Weekly Review*, for that matter, should embark upon a program of flattering the new authorities and suppressing anything which might conceivably be construed as "offending" the new regime. Rather, we believe that we can continue as usual, except that we should proceed with a bit more care, especially in the matter of accuracy.

We should, we believe, continue to adhere to our traditional concept of a free and responsible press and fight evil and injustice wherever we find it. However, we should remember that a newspaper is supposed to be operated for the benefit of society as a whole, and is not supposed to represent the special interests of any minority group. This is a difficult point here where, as foreigners, we naturally are inclined to attach undue importance to things which appeal to us or affect us as foreigners. Actually, we imagine that the majority of the readers of the foreign

papers are Chinese. Thus, it is likely that even the greater part of that portion of the community which we reach is Chinese, not to mention the complexion of this city or the country as a whole.

This, however, does not mean that we should devote ourselves to serving the English-reading Chinese public exclusively. We have a duty of informing the foreign population of what is going on in this country since the vast majority of that community cannot find out unless the news is reported in English. It also follows that members of the foreign community are probably more interested in news from their own countries than is the Chinese community. It admittedly is a delicate balance and one which, we believe, each editor must figure out for himself, depending to a large extent upon his own honest estimate of the relative value of different news stories and in accordance with the circulation make up of his own journal.

Lest we seem to have been unreasonably critical of the foreign press, of which we are a part, there is one more point pertinent to this discussion which should be brought up and which we would like to elaborate upon. That is the position of the authorities in making news available to the foreign press in Shanghai and to the foreign correspondents stationed here and in other cities of the country.

So far there has been no move toward dealing with foreigners' problems except through the establishment of a foreign affairs office here which deals with all general problems as best it can in the absence of any detailed instructions from above or the announcement of any definite, detailed regulations. It is natural that until such time as the People's Government is set up in its final form and has received recognition from the foreign powers there should be a lack of official contact with foreigners.

While it may be possible to defer decisions on many things involving foreigners, we are of the opinion that the now openly expressed dissatisfaction with some of the foreign papers on the part of the *Giefang Rhbao*, the official paper, indicates that the time has come to make some decision regarding the foreign press. So far all foreign papers have been operating without specific official recognition. It is true that we have not been told to close or to conform to any special procedures, but it is also true that we have not been told to continue operations as usual. If it is the intention of the authorities to permit continued publication of foreign-language journals owned by foreigners, it might save future difficulties to have some sort of official go ahead sign from the powers that be.

Perhaps all of the instances of false or undesirable reports which we cited in the foregoing could have been prevented or at least prevented from appearing in a harmful fashion if there were some official agency which could be approached by foreign newsmen. For instance, in the case of the rumor of the mining of the Yangtze, the story could have been officially denied and never have reached the pages of the press if there had been some method of checking the report. We can hardly believe that any of the foreign papers here would have failed to check such a report with official quarters if there had been any method of so doing.

As the British Consul-General stated last week in his speech to the British Chamber of Commerce, foreigners in Shanghai must not become impatient. Actually, when one considers the problems faced by the new authorities, they have moved with great dispatch and efficiency. The day when foreigners can expect to have their questions answered first or their desires satisfied first are gone. However, we believe that the foreign press can provide a useful and beneficial function in this city for some time to come. In order to do so, the papers themselves must examine their policies and aims. Meanwhile, any aid which might be forthcoming from official quarters would be of immeasurable help to the editors.

Realistic Approach

THE speech made last week by the British Consul-General, Mr. B. W. Urquhart, at the annual meeting of the British Chamber of Commerce came as an extremely pleasant surprise. While we obviously had not expected Mr. Urquhart to make a poor speech or one of no particular consequence, we were surprised that he chose to discuss the local situation in such frank terms.

As the *North China Daily News* said in its introductory paragraph, Mr. Urquhart emphasized the positive aspects of the present situation. This is something we need more of, rather than a continual carping about such matters as the recent gas shortage, the lack of industrial raw materials, etc. which all too often in recent weeks have been cited as "proof" that the new regime has not brought any improvement to the city.

Touching upon some of the present difficulties, the British Consul-General reviewed the hardships of the country, pointing out that the civil war is still in progress, and saying that in view of the known handicaps no thoughtful and sympathetic observer would be surprised if China's economic life is beset with difficulties for some time. "The task which confronts her rulers," he said, "would appall any statesmen, anywhere, and we must pay our tribute to the courage with which the new rulers are facing it. We note with satisfaction the good progress which has been made in a very short time."

Mr. Urquhart expressed satisfaction over the treatment of foreigners to date, saying that relations between the new authorities and the local foreign community were on the whole better than he had expected. He said, "In my experience a revolutionary regime, having climbed to success by the hard and dangerous way, and feeling isolated and insecure, quite naturally is suspicious of foreigners, and very often finds satisfaction in testing out its power on them. Quite often the new authorities have reason to dislike this or that foreign government because of past actions.... Happily, the new regime in China so far appears to have jumped that stage which less experienced men might have gone

through. They have not mistreated foreigners. On the contrary, they have given us full equality with their own countrymen, except for a few matters which will, we understand, soon be adjusted. We need freedom to move about, to travel, if we are to attend to our business efficiently—and it is China's business, too."

He then went on to discuss the labor problem, the prospects for foreign help to the new regime in restoring communications, supplying of raw materials, making available foreign technical knowledge, etc. Warning that foreigners must be patient and tolerant, he said, "We must not make the mistake of expecting too much, too soon. If progress is slow it is our duty to wait patiently. The day of priority and privilege for foreigners has gone. We foreigners have no desire to see it return...."

* * *

A FEW days prior to the British Consul-General's speech our eye was caught by a story in the *North China* headlined, "Recognition Of New Government Will Aid Foreign Trade." This story was a roundup of opinion of leading, but unnamed British and American businessmen, who were, it seems, rather enthusiastic about the new regime. "The People's Government, they (foreign businessmen) maintained, had adopted a policy of moderation on issues involving the foreigner in their areas, but it was entirely correct if they should prefer to exhibit coolness rather than warmth in the liberalism thus far displayed. In the absence of international recognition of their achievement in overpowering the Nationalists, realistic foreign traders said they had no right to expect particularly friendly treatment," the paper continued.

An "outspoken" member of the British business community, approached by the paper for his views, stated that very shortly the Nationalist regime would be non-existent or at best, "a small fugitive party in some remote corner." This businessmen hastened to add that he was not taking sides or displaying partiality. However, he said, "to state that the Nationalist Government has disintegrated, and that its armies are merely undirected mobs, is actual reporting of a sad decline. Any doubts we may have had on the subject five weeks ago have been completely eradicated by events which have accumulated on us since the crossing of the Yangtze, including the singular ease with which that difficult task was accomplished, up to the fall of Shanghai, which gave us first-hand experience of the relative powers of the parties, especially of their leaders."

Concluding, this businessman said, "We should adopt the attitude of accepting a fait accompli, and get ready for the recognition that will soon be inevitable. This new government will require our help and we can only hope they will invite it. We should hold ourselves open and in readiness for the invitation."

* * *

BOTH the British Consul-General and leading representatives of British and American business interests seem to be adopting an extremely open-minded and, in fact, sympathetic attitude toward the changed conditions here. There is no indication that those whose words we have quoted in the foregoing are inclined toward communism. Perhaps they are still experiencing to some extent the after-effects resulting from the almost unbelievable behavior of the old regime during its dying days. However, the fact remains that they all seem equally well impressed by what they have seen of China's new people's administration in action.

The fact that these foreign businessmen, plus one foreign diplomat, like what they see is very important. While the day when views of foreigners in China were of utmost import is passed, it is still important what foreign countries think about China. With conditions being what they are in the world today, anything that helps toward mutual understanding is to be welcomed. Already we have seen a few of the "think" pieces written by some of the experts who are viewing the China scene from vantage points such as Washington and New York. That some of these "interpretations" of events in China serve only to further muddy the water is not surprising. If the honest views of local foreign businessmen — who can hardly be considered as having communist or even "leftish" tendencies —can be reported to the peoples of their respective countries, a great step toward securing a well-informed body of public opinion abroad regarding China will have been achieved. In these days of regional military alliances, cold wars, and heavy military budgets this is an important goal.

Cloak And Dagger Stuff

AT a time when most American businessmen and other American citizens engaged in legitimate activities in China hope for smooth relations with the new government, the Communist report of the cracking of an American spy ring in Mukden comes as somewhat of a blow.

While almost every nation in the world engages in intelligence work, some of the activities described in this case, such as attempting to persuade the people of Mongolia that only aid from Chiang Kai-shek and the US could solve their problems, smack more of the agent provocateur.

It is unfortunate that an increase in activities of this sort comes as a corollary to the cold war. The papers have been full of charges, counter-charges, arrests and trials in Eastern Europe, by both American authorities and the governments of the Eastern European countries. Now that the rash seems to be spreading to China, we can only view it as of more immediate disadvantage, both to the new government that is trying to get underway and to those Americans who would like to continue their normal activities here in a normal way.

We can only hope that the Mukden case will prove to be an isolated instance. But the probability that, from here on in, China and America will be aligned on different sides of the cold war makes us fear that other American activities in China may come under the shadow of a doubt.

It may be hard for the vast majority of

Americans, whose business here is bonafide, to understand why certain restrictions may be imposed upon foreigners now and in the immediate future. Why, for example, there is now an unwritten curfew on the movements of foreigners in Shanghai at night, or why the officials in Manchuria seemed to have singled out the American Consulate in Mukden for especially close supervision.

The Mukden spy case may not only help throw some light on Communist suspicions, but also makes it pertinent for Americans here to consider seriously a bill recently passed by Congress and sent to the President for his signature with the aim of strengthening America's intelligence network abroad. This bill, if it is signed and becomes a law, will, we believe, seriously jeopardize the position of Americans in China.

It provides generally for the administration of the Central Intelligence Agency, allowing that agency to hide its annual budget in the expenditures of other government departments and to be excused from publishing its payrolls and expenditures, as other departments are required to do. It also waives immigration barriers for up to 100 aliens a year who assist in intelligence and espionage work abroad.

Various details of the bill were reported by the Washington correspondent of the *National Guardian* as follows: "Here are some of the things it would do: Permit Central Intelligence agents to be assigned as spies in almost any organization anywhere in the world. Section 4 (a) says: 'Any officer or employee of the Agency may be assigned to detailed or special instruction, research or training, at or with domestic or foreign public or private institutions; trade, labor, agricultural scientific associations...' The terms 'instruction, research or training' would appear to cover all types of operations.

(This section may well result in causing official suspicion to fall upon a large number of legitimate American firms, especially those such as banks, oil companies, technical consulting firms, social and scientific agencies and many other organizations, the nature of whose work gives them access to vital information.—Editor).

"Permit the CIA to spend its own funds or funds appropriated to other agencies without any accounting except a certificate that they were spent in the interest of national security. The agency would be exempted from all restrictions on the use of funds regardless of previous laws and appropriation measures involved. Effect would be to give CIA unlimited finances. . .

"Another section would shroud personnel operations in absolute secrecy, by exempting the Agency from any existing laws 'which require the publication or disclosure of the organization, functions, names, official titles, salaries or numbers of personnel employed by the Agency."

The section regarding admission of aliens reads: "Whenever the director (of the CIA) and the Attorney General shall determine that the entry of a particular alien into the United States for permanent residence is in the interest of the national security or essential to the furtherance of the national intelligence mission, such alien and his immediate family shall be given entry into the United States for permanent residence without regard to their inadmissibility under the immigration or any other laws and regulations, or to the failure to comply with such laws and regulations, provided, that the number of aliens and members of their immediate families entering the United States under the authority of this section shall in no case exceed 100 in any one calendar year."

Representative Carl Vinson, chairman of the House Armed Services Committee, which approved the bill, explained this provision by saying that "you have to be able to offer your spies something" and adding that the bill would enable agents to bring aliens into the US for their protection after they had supplied information.

We urge Americans to study the implications of this bill in the light of the effect it may have on their status in China. This should be all the more necessary since Congress apparently passed it quite blindly. Although the vote was 348 to 4, the bill, according to a *Reuter* report, "was brought to the House under strict rules limiting debate and barring amendments." Representative Vinson was quoted in the *New York Herald Tribune* as saying: "Congress will just have to go along and have confidence in us (Armed Services Committee). They will have to accept our judgment and not question the bill." Representative Vito Marcantonio of the American Labor Party, one of the four dissenting voters, declared: "This is the first time in history that Congress ever has been asked to vote on a bill without an explanation."

If China should turn out to be one of the objects of this bill, and the Mukden case as well as the composition of the new Chinese government indicates that it will, Americans here should reflect carefully on whether they want such a law and the effect it would have on our future relations with this country.

Spur To Productivity

A *REUTER* dispatch from London last weekend quoted the influential British *Economist* as stating that a moderate degree of unemployment may be the only way to bring British workers to the realization of the essential poverty of their country. Thus, says *Reuter*, the *Economist*, for the second time in two weeks, argued that unemployment would be a necessary spur to higher productivity.

The *Economist* went on to say, "There is really no escaping the conclusion that with free dollars due to disappear in three years at the most and the whole world market swinging over to competitive conditions, again the British wage earner will have to be induced by one means or another either to put more into the pool than he is now doing or take less out, or perhaps a bit of both."

The *Economist* then emphasized that it did not like unemployment any better than any of the magazine's critics did but stated that moderate unemployment would stimulate competition for jobs and thus bring about higher labor productivity. The magazine said that the

"stimulated" productivity brought about by the envisioned "mild unemployment" might be a good thing in that it would tend to prevent heavy unemployment later on.

While it is admittedly difficult to follow such an argument carefully only on the basis of a brief news agency account, this sounds like a very strange economic theory indeed. According to the economic textbooks we studied, higher productivity basically is secured through mechanization. The more modern a factory's equipment, the less backbreaking labor is required of the worker and the better he works. Additionally, mechanical improvements, which reduce the number of men required to do a specific job, usually speed up the actual manufacturing process. Thus the labor cost for a given operation is lowered.

It is true, of course, that during a depression when unemployment is widespread, the strength of labor unions tends to weaken and workers, facing starvation, are willing to work for almost any wage. However, one rarely hears anyone, certainly not workers and only occasionally employers, suggesting that chronic unemployment is good for a country's economy.

In days past there have been short-sighted factory owners who enjoyed the spectacle of unemployment because it reduced the wage level, but today most employers of labor realize that their own workers are also the potential customers who buy the finished products. If these workers are unemployed, or are underpaid, they make very poor customers. This, of course, is looking at the matter purely from the self interest aspect. Certainly no humanitarian viewpoint could accept the spectacle of chronic unemployment, no matter how "mild." We also doubt if any government, which secures office through popular election, could ever propose unemployment as a cure for the country's ills.

Modern economic theory, we understand, holds that a country's wealth is dependent almost entirely upon the quantity of its industrial output. It only stands to reason that the more a nation's industrial plant manufactures, the more wealth it has created. Unemployment means that employable workers are without jobs. Under such conditions the country loses their services and production is not as great as it might be.

We can imagine how a British textile manufacturer at the turn of the century might have looked upon long lines of unemployed standing outside his plant with a certain amount of relish because it meant that his workers, fearful of losing their jobs to those even more hungry than they, would accept with resignation any poor salary which he wished to pay. However, things —including economic theory—have changed quite a bit during the past 50 years and it is a bit difficult to understand how a responsible British magazine can today advocate an economic belief shown to be fallacious long ago. This seems particularly so in socially-conscious Britain where the labor government has been constantly drumming into the ears of both capital and labor the need for increased production.

25 Years Ago in *The China Weekly Review*

China Needs Railways

June 21, 1924

Addressing the graduating class of the Peking School of Commerce last week, Julean Arnold, American Commercial Attache, after tracing the history of China's famous literary examinations and the present era of Western education, stated that he would require to be written across every diploma issued to a Chinese, "The bearer knows China." Mr. Arnold stated that too little of China is taught Chinese students, with the result that the benefits of Western education are not sufficiently applied to the country. Mr. Arnold stated that railroads were more necessary than colleges, for with them would come developments which would make plenty of money available for education.

* * *

Canton Students Protest

A movement is being launched in Canton by the students for Chinese supervision over educational institutions conducted by the foreign missions in China. Some two months ago the students of the Holy Trinity College of Canton, managed by the Church Missionary Society, and those of the Sacred Heart College, a Roman Catholic institution, got into difficulties with their school principals, the latter condemning political meetings within their campus. The students have considered the act as interfering with the constitutional right of a citizen to assemble under a Republic. They have also charged these institutions as unfit for the training of republican people.

10 Years Ago In *The China Weekly Review*

China Offers Hitler's Victims A Haven

June 24, 1939.

The offer of the Chinese National Government and the province of Yunnan to set aside a district for the settlement of 100,000 Jewish refugees marks China as the most civilized and humanitarian of the nations. The action is in marked contrast to numerous other countries, particularly Cuba and certain Central and South American states which first offered to receive Jewish refugees, but later, as a result of political or religious pressure, changed their minds and rejected the unfortunates.....

But China has offered to open one of her richest provinces to the emigres and at a time when the nation is being subjected to barbarous military aggression which has resulted in millions of Chinese people being dislodged from their homes and caused to become refugees in their own land. Perhaps it is this situation, taxing the charitable resources of the entire world, that has caused China to lend a sympathetic ear to the appeals of the unfortunates.....

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Japanese Blockade Tientsin

With the Japanese blockade of the foreign Concessions in Tientsin well into its second week, with no signs of yielding on either side, and with the tension between Japan and the European democratic powers growing from day to day, it becomes necessary to weigh up the implications of the new Far Eastern situation which Japan has produced by her latest actions and to consider it in relation to the whole current complex of international rivalries.

There no longer exists the slightest doubt that what we are now witnessing is the operation of the secret German-Japanese agreement which lies behind the so-called anti-Comintern Pact, for the Japanese action in Tientsin, has coincided with a series of German moves which indicate an intent to "settle" the Danzig question at an early date. As we have indicated several times before, an attempt by Germany to secure control over Danzig, especially if Poland makes good on her oft-repeated determination to resist the reincorporation of the Free City into the Reich, carries with it the imminent threat of a general European war.....

NEW DEMOCRACY—THEORY AND PRACTICE

Charles. J. Canning

RECENTLY, much has been said and written about the new democracy expounded by Mr. Mao Tze-tung, chairman of the Chinese Communist Party and beloved leader of the Chinese revolution. The reason is not difficult to understand. Having overthrown the reactionary Kuomintang regime in some two-thirds of Chinese territory, the Chinese people, under the leadership of the Communist Party, are attempting to build a totally new China —an independent, free, democratic and prosperous China—on the basis of Mr. Mao Tze-tung's new democracy. Therefore , a correct and clear understanding of the Communist concept of democracy is essential if one is to follow intelligently what is happening and what is going to happen in this country. Without a background knowledge of Mao's doctrine of new democracy, it is utterly impossible to understand or judge the policies of the Chinese Communists.

It is a great pity that very few foreigners have had the opportunity of reading Mao's writings because of language difficulties. English translations of such works have been available only to a small and select circle of foreign readers. The present article is intended to give the average foreign reader a basic idea of the new democracy doctrine. For this purpose, it is of course necessary to quote copiously from Mr. Mao's own writings, particularly from his "On New Democracy" and "On Coalition Government."

* * *

Chinese Society

WHAT kind of democracy is Mr. Mao Tze-tung's new democracy? According to Mao's own definition, it is a special, Chinese-style democracy. In order to understand the concrete contents of the new democracy and how it has shaped up in China, it is first of all necessary to find out the outstanding characteristics of present-day Chinese society, because it is these characteristics that determine the tasks and objectives of the Chinese revolution and have given birth to Mao's new democracy doctrine.

On the qualities of Chinese society, Mao writes:

"Present-day Chinese society is characterized by its being a colonial, semi-colonial and feudalistic society. This naturally concludes that the Chinese revolution must be accomplished in two steps. The first step is to transform the present colonial, semi-colonial and feudalistic society into an independent and democratic society. Then the second step will be to push the revolution forward and establish a socialistic society. The present revolutionary movement in China is still taking the first step."

As a matter of fact, the first step dates back to the Opium War of 1840, when Chinese society began to change from a purely feudalistic society into a colonial, semi-colonial and feudalistic society as the result of imperialistic invasion. From the Opium War to the Sino-Japanese War of 1937-1945, China witnessed a long series of disastrous foreign wars and spectacular revolutionary uprisings, including the Taiping Rebellion (1850-1864), the Sino-French War (1883-1885), the Sino-Japanese War (1894-1895), the Wuhan Revolution (1911), the May Fourth Movement (1919), the Northern Expeditionary Campaign (1926), and the Agrarian Revolution. All of these revolutionary struggles, in spite of what difference there was in form and method, had a common object in fighting imperialism and feudalism and in building up an independent and democratic society.

* * *

New Type

SO far as its social character is concerned, the Chinese revolution is a bourgeois democratic revolution, and not a proletarian socialist revolution. But as the result of the First World War and the great October Revolution in Russia, China's bourgeois democratic revolution belongs to a new type and constitutes an integral part of the proletarian socialist revolution all over the world. The reasons are as follows:

First, after the victory of the October Revolution in Russia, world capitalism lost one-sixth of its territory and found it necessary to intensify exploitation of the colonial and semi-colonial countries the world over in order to survive. Therefore, the national liberation movements in the colonial and semi-colonial countries center around the fight against world imperialism and against world capitalism. In addition, the socialist state in Soviet Russia has pursued a consistent policy both in words and in deeds of supporting the national liberation movements in the colonial and semi-colonial countries. The proletariat in the various imperialistic countries also fight their respective bourgeois governments and throw their support behind the revolutionary struggles of the peoples in the colonial and semi-colonial countries. In other words, the national liberation movements in the colonial and semi-colonial countries, the revolutionary struggles of the proletariat in the imperialistic countries and the foreign policy of Soviet Russia stand on a common ground in fighting world imperialism and the bourgeoisie. Consequently, the national liberation movements in the colonial and semi-colonial countries represent component parts of the socialist world revolution of the proletariat. In this respect, China can be no exception.

Second, China's bourgeois democratic revolution, despite its bourgeois character, is now under the leadership of the proletariat instead of being monopolized by the bourgeoisie. Nor does the bourgeois democratic revolution aim at establishing a bourgeois dictatorship. On the contrary, it is aimed at setting up a new democratic state on the basis of a joint dictatorship of the various revolutionary classes.

In this connection, a brief review of the roles the different classes have played in Chinese revolution will be very interesting and helpful. Before the May Fourth Movement, the leadership of the revolutionary movements in China was invariably in the hands of the bourgeoisie and the petty bourgeoisie, including the intellectuals. During this period, China's proletariat was too weak and too backward to play an independent and prominent role in internal politics. Instead, the proletariat acted only as a "junior partner" in the Chinese revolution, following the lead of the bourgeoisie and the petty bourgeoisie. This was the case in the revolution of 1911 when the Chinese Republic was founded.

However, the situation was fundamentally changed after the May Fourth Movement.* It is interesting to recall that the movement took place in May, 1919, after the First World War and the Russian October Revolution. China's proletariat, since then, has grown stronger and bigger and has now taken over the leadership of the Chinese revolution. It was the party of China's proletariat, the Communist Party of China, that first issued the slogan "Down with imperialism!", made public an overall program for Chinese bourgeois democratic revolution, and started carrying out the agrarian revolution.

* * *

Immediate Objective

THE immediate objective of China's bourgeois democratic revolution is to set up a State of the new democracy on the basis of a joint dictatorship of all revolutionary classes. Mr. Mao Tze-tung wrote in his "On New Democracy":

"China's proletariat, peasantry, intelligentsia, and other petty bourgeois elements constitute the basic forces that will determine the nation's fate. Some of these classes are already awake while others are awakening. All of them are to form the essential part of the State structure and government machinery of a democratic Chinese republic that is yet to be established. This democratic republic for China which we are going to build up can only be a democratic republic based on the joint dictatorship of all anti-imperialistic and anti-feudalistic people. In other words, it will be a democratic republic of the new democracy."

This new democratic republic is different from the old capitalist republics in Europe and America which

*This was in protest against the 21 demands of Japan.

are essentially a kind of bourgeois dictatorship. The time for this kind of republic is over. On the other hand, the new democratic republic to be established in China is also different from the up-to-date socialist republic in Soviet Russia which is really a kind of proletarian dictatorship. Although the socialist republic, Soviet style, is the most up-to-date, yet it does not apply to the colonial and semi-colonial countries, which have to go through a transition period before changing into socialist society. During this transition period, it is necessary to set up a new democratic government—a joint dictatorship of several revolutionary classes. In China, the new democratic government to be established under the leadership of the Chinese Communist Party will be a coalition government of all the anti-imperialistic and anti-feudalistic parties and groupings.

* * *

Blind Alley

THE reasons why China cannot and should not establish a bourgeois dictatorship can be found in the present international situation and in China's internal political situation. On this point, Mr. Mao Tze-tung explained:

"Is it possible for China to follow the road to capitalist society under bourgeois dictatorship? True, this road has been the beaten track for American and European bourgeoisie. However, the external and internal situation in this country does not allow us to do so.

"So far as the world situation is concerned, the road to bourgeois dictatorship is a blind alley. The current world situation is characterized by the struggle between capitalism and socialism. In this struggle, capitalism is sliding downhill, while socialism is gaining the upper hand. World capitalism (imperialism) will not tolerate the establishment of a bourgeois dictatorship in China. Modern Chinese history is a history of how imperialists invaded China and did their best to prevent China from achieving her national independence and developing capitalism. The failures of the revolutionary movements in Chinese history have been invariably due to imperialist strangulation. It is of course true that imperialism is going to die. But it must be clearly understood that precisely because it is going to die world imperialism is intensifying oppression and exploitation of the colonial and semi-colonial countries. World imperialism will never allow the colonial and semi-colonial countries to set up a capitalist society under bourgeois dictatorship.

"Second, socialism will not allow it either. In this world, all imperialists are our enemies. China cannot get along without aid from the socialist states and from the world proletariat if China is to achieve her national independence. In other words, China cannot do without aid from Soviet Russia. Nor can China stand isolated from the victorious anti-imperialist struggles of the proletarit of Japan, Britain, the United States, France, Germany and Italy . . . Now capitalism is going to die and socialism is on the rise. Under such circumstances, wouldn't it be utterly absurd if China were to build up a capitalist society under bourgeois dictatorship after the victorious conclusion of the anti-imperialist and anti-feudalist revolution?"

China's internal situation also renders fruitless any attempt to set up a capitalist society under bourgeois dictatorship, because the Chinese bourgeoisie since 1927 has acted against the revolution while the Chinese proletariat and other revolutionary classes have grown strong and have gradually assumed leadership in the Chinese revolution.

* * *

Not Socialism

IF China cannot and should not follow the capitalist road to bourgeois dictatorship, can it follow the socialist road to proletarian dictatorship? Mr. Mao Tze-tung's answer to this question is an emphatic "No!" Mao reasoned:

"There is no question that the present revolution in China is still taking the first step. In the future we will take the second step and develop socialism. China can be prosperous only when it has entered the era of socialism. But the present isn't the time to implement socialism. The task of the current revolution in China is to fight imperialism and feudalism. It is utterly impossible to talk about socialism until this task has been fulfilled. The Chinese revolution must proceed in two steps. The first step is new democracy and the second step is toward socialism. The first takes a relatively long time. It cannot be completed overnight. We are not idle dreamers. So we cannot shut our eyes to the present actual conditions."

Mr. Mao Tze-tung stressed the importance of China's bourgeois democratic revolution and warned against any under-estimation of this importance under pretense of fighting for socialism. Mao wrote in his "On Coalition Government":

"Fulfillment of this program will not change China into a socialist state. This is not a question of subjective likes or dislikes of individual persons. The question lies in that the objective political and social conditions in this country do not permit us to do so . . ."

Mao Tze-tung continued: "The Chinese Communists and their sympathizers and well-wishers must fight for the objectives of the present revolution—to resist national and feudalist oppression, to liberate the Chinese people from the colonial and feudalist yoke and to build up an independent, free, democratic, unified and prosperous China on the basis of the new democracy. Every Chinese Communist and his sympathizers would be, more or less, either consciously or unconsciously, betraying Socialism and communism if they should fail to fight for this goal or if they should think lightly of the bourgeois democratic revolution, slacken their efforts, display disloyalty and lukewarmness and refuse to make supreme sacrifices under the cloak of loose talk about socialism and communism. Implementation of socialism is possible only through democracy. This is the ABC of Marxism. In China, the struggle for democracy calls for a long period of time . . . It would be day-dreaming to think of building up socialism on the ruins of the colonial, semi-colonial and semi-feudalist society without going through a thorough bourgeois democratic revolution of the new type . . ."

MAO TZE-TUNG

A Portrait by Li Man-feng

Reproduced from the *South Seas Pictorial* (Singapore)

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Conclusions

FROM what has been said in the foregoing paragraphs, we feel safe in drawing the following conclusions:

1. Mr. Mao Tze-tung's new democracy doctrine is based on the cooperation of all anti-imperialist and anti-feudalist classes in China in a common struggle under the leadership of the Chinese Communist Party for converting China from a semi-colonial and feudalistic country into an independent, free and democratic country. The new democratic republic to be established is different from the bourgeois dictatorship in the

capitalist countries in Europe and America on the one hand and from the proletariat dictatorship in Soviet Russia on the other.

2. During the period of new democracy, it is the task of the government to develop capitalism in order to pave the way for building up socialism.

On this point. Mao Tze-tung said:

"Some people fail to understand why the Chinese Communists do not fear capitalism. Instead, the Chinese Communists advocate developing capitalism. Our answer is quite simple: To replace oppression on the part of foreign imperialism and native feudalism by developing capitalism is not only a step forward, but also an unavoidable process. It is favorable to the proletariat as well as to the bourgeoisie. China has too much foreign imperialism and native feudalism, but too little native capitalism. Strangely enough, the spokesmen for the Chinese bourgeoisie prefer to beat about the bush instead of coming straight out in defense of developing capitalism. Others deny the need for allowing capitalism to develop on a large scale in China and argue that China should develop into socialism at one leap . . . Some of these views betray the weakness of China's liberal bourgeoisie while others are tricks played on the Chinese people by the big landlord class and the big bourgeoisie. Basing our analysis on the Marxist interpretation of the law governing the development of society, we Communists understand perfectly well that under a new democratic state it is necessary and essential to offer broad facilities for the development of private enterprises apart from the state-operated enterprises and the cooperative economy. This is good for the government and people. No amount of deception will fool us Communists."

3. The new democracy is a special kind of political formula for colonial and semi-colonial countries during the period of transition from capitalism to socialism. In spite of their emphasis on the development of capitalism under the new democracy, it would be a serious mistake to conclude that the Chinese Communists have thrown overboard their long-range objectives of socialism and communism. On this point, Mao Tze-tung said in his "On Coalition Government":

"We Communists never keep secret our political viewpoints. Our program for the future, that is, our long-range program, is to push China forward into socialism and communism. There must be no doubt about this. The very name of our party and our Marxist concept of the world have already pointed out the direction in which we will heading for a bright and ideal future. When we join the Communist party we have closely before us two objectives—to fight at present for a bourgeois democratic revolution of the new type and to fight in the future for a proletarian socialist revolution."

NANKING DIARY

A Personal Account Of The Changeover

Hung K'uei

This diary, written by a Chinese resident of Nanking, was not originally intended for publication, but as a private account for personal friends both in China and abroad. We feel our readers will agree with us that it deserves wider circulation.—Editor.

Wednesday, April 20, 1949

THE Central Government had rejected the Communist ultimatum to agree or refuse not later than today to sign the peace terms which would mean complete surrender. Prices jumped more quickly than usual during the day.

We were at a supper party. People were enjoying themselves. Gun fire was heard frequently during the evening. Jokes were made that the Communists were coming, though people really thought that the Nationalists were practising. The party was still enjoying itself by 11 o'clock. Among the guests we lived the farthest, so we left at 11:15. The streets were quiet. In our own house near the river front, gun fire was heard much more clearly. From midnight onward it grew more intense until about 3:00 a.m. Our house shook, windows and glass doors rattled. We could not sleep until after 3 o'clock. Firing decreased from 6:00 a.m. We learned later that Kiangpu, a town about 10 miles southwest of Nanking, had fallen and the guns were fired from the Nationalist naval ships.

* * *

Thursday, April 21

THE value of the silver dollar shot up several times during the day. People in the streets looked very much as usual. The Government, that is, the remaining part after the evacuation to Canton in the south last winter, decided to evacuate completely within three days. Heavy military equipment had already moved out the previous night. General T'ang En-po, the Nanking-Shanghai Garrison Commander, went himself to Wuhu to direct the operations against the river-crossing there, thinking that other points on the river were well fortified. The facts turned out to be that on that very day, many important points of the river under his own command were lost to the Communist troops.

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Friday, April 22

THE silver dollar trebled yesterday's value. Streets looked normal except for some military trucks loaded with shabby-looking household goods, the last ones to move out. A friend told us the news or rumor that the Government had decided to take two measures: a) to destroy all public buildings, and b) to carry out mass arrests of all suspects and shoot them right on the spot. It was a foregone conclusion that Nanking would fall. Still no one could say when and how. The Nationalists might put up a desperate fight in the form of a reign of terror. Hence the feeling was not at all a quiet expectation of the arrival of the Red troops.

* * *

Saturday, April 23

WE had telephone calls early in the morning. The defending troops north of the river and of the city had been withdrawing towards the south and southeast of the city during the whole of the night. All the police had gone too, at least had ceased to function. Chaos reigned in the first half of the morning. Looting broke out in several busy centers of the city. There were some casualties. My office is over five miles from home and there are many busy centers between the two. There was no means of transport, so I had to stay home today. I went to a hill nearby to look at the big fires burning on this side of the river. The Nationalists had laid charges in several go-downs and in the railway station. The river ferries had been put out of action in the early morning. The hill where I was had been occupied by a military department. I had always wanted to go there to see the view, but it was heavily guarded. This morning the buildings were just four walls, stripped of everything. The poor people nearby had broken and taken away the window frames, doors and floors. (This same demolition was done to many other official buildings; it was their chance of revenge upon authorities whom they had feared and hated.)

I went with a friend to the main street and stood there and watched for about 15 minutes. The street was full of people carrying bundles and odds and ends: These were their whole worldly possessions. They were all coming from the river front, where several fires had been burning and looting took place too. It was a warm day. They looked hot. They stopped on the pavement and sat and talked and laughed as if nothing unusual had happened or was happening. These people were called "refugees", but they had no look of fear or anxiety. They looked totally different from the refugees during the war with Japan. I remarked on this strange contrast to my friend, and she replied, "They have waited for so long and now it has come. What is there for them to fear?" She also told me that part of her institution had been used as a military hospital for the wounded troops—Nationalists. She asked

some of these wounded whether they would like to move away, as the Communist troops were coming soon. They replied, "No, we are glad they are coming. Over on their side the wounded are treated as heroes. On this side we are ignored when we are wounded."

We saw some soldiers walking with horse carts or rickshaws loaded with their family belongings. A few military trucks full of household goods sped by. These were the last ones to flee. People did not seem to notice them; they seemed to regard them as belonging to the regime already past—dead and past, although it had died only during the night, a few hours earlier. These people were not conscious of the fact that the greatest event in their history of thousands of years was taking place at this moment of a few hours. They had heard, however, that people just like themselves were having a much better time on the other side and in the north, under the Communist regime. In any case they had suffered all their lives; they had nothing to lose. Nothing could be worse.

Later in the afternoon there were huge fires in the southeast direction. The sky was brightly lit. Explosions were heard continuously. This lasted several hours. The Nationalist troops had blown up the Air Force airdrome, where there were over 10,000 drums of gasoline and other kinds of equipment. Some friends in the central part of the city telephoned to say that a committee had been set up to keep order; the Liberation troops would come tomorrow morning; two liaison men had already come and conferred with the local leaders.

Electric lights had come on! For months and months light and water had been very rare, and when and if they were on, that was only for a short time, usually between 7:00 and 9:30 p.m., but never regularly so. We turned on the radio. BBC item one news was out of Nanking, saying, among other things, that Nanking's light and water were cut. We laughed! During the evening the children in the nearby big school were singing loudly and joyfully. The night was quiet. Over a million common people were waiting for the entry of the Liberation Army the next morning.

* * *

Sunday, April 24

WE had news that some Liberation troops had already come. We quickly got up and had breakfast. I felt excited. We must go out and look. What would they look like? This would be a completely new experience to us or anyone else. We rushed out to the main street, stood and watched. There were many people about. The Post Office was just opening. There was a notice on the big door: "Public Property; Do Not Damage. People's Liberation Army." The Ministry of Communications compound was full of paper and rubbish. The KMT regime had fled as fast as possible. A couple of hundred Liberation troops passed by quietly, not marching in goose-step. They carried an assortments of arms, including spades and shovels. They talked to themselves and smiled. It was a warm morning. They looked sweaty, but not over tired. They contrasted remarkably with the Nationalist troops in the following: a) They looked happy and not down-cast. b) They looked healthy, instead of sick, weak and covered with diseases, a common sight with the Nationalist troops. c) They had no children among them, through they all looked young. d) They carried their own things instead of whipping poor civilians to carry them.

The local press announced that the committee would meet at 9:00 a.m. and organizations were asked to send representatives to this meeting, to prepare for the welcome to the People's Liberation Army. (Later the authorities stopped this idea, for fear of bombing, and added, "We do not want welcome processions and celebrations. We want you to work harder.") Life in the city had begun to look a bit normal. Markets were open. Buses were running. Telecommunications were open to Peiping, Tientsin and many other cities. Slogans and placards appeared on the walls everywhere—these were by the Central University Middle School. "Eliminate the eldest son of Hitler—Chiang Kai-shek." "Eliminate the Four Families: Chiang, Kung, Soong and Chen." "Welcome to the People's Liberation Army," and other slogans. Five airplanes came; they bombed and machine-gunned; several dead were reported.

It was reported that the authorities would take control of the city on the third day. Meanwhile, the committee was keeping order. People wondered *how* the city would be taken over officially. Would there be a formal entry as they made in Peiping? How could they cross the river in large numbers within such a short time? Nanking has never been a convenient place for crossing the Yangtze River. The nearest points are near Chinkiang, 90 miles to the east, and Wuhu, 60 miles to the southwest. The railway station had been blown up. Many steamers had been put out of action. However, they had the reputation of doing things which had never been done before. For instance, this crossing of the huge Yangtze River (militarily speaking, they had crossed at several points already) was a miracle, which people not knowing the geography can hardly realize. The Communists had no mechanized means of water transport and we, the Chinese people, inhabitants of a large continent, never learned to swim, except a few on the coast. This miracle of crossing the gigantic river by wooden junks and in the face of combined attack by the Nationalist land, naval and air forces can only be explained by the difference in the morale of the two opposing parties.

Chiang Kai-shek: "Quiet and keep on going—we'll end up by attacking them from the rear!"

—Vie Nuovo

About a month ago two divisions of troops stationed right here to defend the Capital defected. Three days ago several thousand troops in Ch'ang-Chow, a city on the Nanking-Shanghai railway line went over to the other side. (Today, I learned later, two naval units with 25 ships went over.) Last Thursday, a friend of ours came back from Shanghai He heard an army man in the next compartment of the train saying, "Our monthly pay is just a little over one silver dollar. One picul of rice costs six dollars. One soldier needs one quarter of a picul per month. Our lives are only worth so much to the Government, not to mention supporting our families. We are not going to fight."

This tells you the secret of the Communists' victories. You will never understand the reasons for these overwhelming victories unless and until you begin to see the whole situation as the common man in China sees it, which is puzzling the whole world. You have got to know about the life of the ordinary people in the past history of this country, especially during the KMT rule in the past 22 years. It is not a matter of ideology. The ordinary man in China does not understand ideology and he does not care. He only wants to live and have his family live. We are known to the world as a peace-loving people and poor soldiers. This is true, but when Wang, Chen, Chang and Chu are deprived of their means of existence and when they see that some people are trying to help and leading them to help themselves, they will fight and die to get a living. The Communists understand the fundamental needs of these people and have supplied these needs in the areas they control. Therefore, they have the popular support and are winning the war all over China. To talk about Russian support as many of you do is simple ignorance of Chinese problems and is therefore nonsense. (Need I remind you of the large scale help given by the USA to the Nationalists during the last few years, which is so well known to the whole world?)

We had lights the whole day, for the first time in many, many months. I forget how many. Our maid is ironing at leisure. This is a trifling matter, but the whole life of man is made up of a countless number of small matters.

(To be continued next week—Editor.)

REVOLUTION AND SCIENCE

R. D. Merrick

COMMUNIST revolution does not stop at attaining political-economic goals, but continues in many diverse directions to renovate and improve all aspects of the life of the people. The stimulus of revolution is especially felt in a great mass of new inventions and scientific discoveries. In the Soviet Union, progress along these lines has been such as to constitute a beacon to all people wishing to follow the revolutionary path to progress.

Being an agronomist, I took more interest in things agronomical; therefore, in this article I wish to mention a few agricultural discoveries which bear out my contention and at the same time might be of use or interest to Chinese agriculturalists and farmers.

Lysenko's Work

Having worked directly with the reproduction of a new variety of cotton selected by the renowned Soviet agronomist, Lysenko, I shall discuss some of his work as being typical of the "new approach" of Soviet science. Lysenko is the father of the idea of increasing yields by changing the environment of plants. For example, knowing that cotton yields in the North Caucasus, Crimea and the South Ukraine regions, where it had never been grown prior to the revolution, were unfavorably affected by the short growing season, Lysenko not only selected many high producing short season varieties but also put in motion the now widely practiced method of "yarovization" or vernalization, as it is known in the US. Under this method, seeds are kept moist and at certain temperatures for several days until the radical begins its growth. The seeds are then planted with machines on the days for which they are prepared and always give several days' earlier stands and a profitable increase in yield over untreated seeds planted on the same dates. This method is now employed with a wide variety of seeds, from corn to garden seeds of all kinds, throughout the Soviet Union, especially during seasons when planting for some reason is delayed.

Of especial interest to central and south China is the "yarovization" of potatoes, because this gives up to three weeks earlier maturity during the cooler weather when potatoes (especially early varieties) do the best.

Still another reason for yarovization is that immediate growth gets a start on the weeds, so that, if the field is cultivated just before planting, yarovized seeds sprout plants which grow large enough to hoe and cultivate before the weeds get a start. This is important indeed in many places where weeds are bad. Also, in some areas there are droughts in the latter part of the season, making it important to secure a week or ten days earlier maturity. While yarovization is nothing more or less than a new application of the old nursery idea, it nevertheless shows the mixture of science and practice which is needed to make success spectacular.

Another of Lysenko's simpler accomplishments is the solution of the seed-potato problem for the south of Russia. Just as in the southern United States, millions of tons of potatoes for seed were transported each year over routes as long as a thousand miles from the north to the South Ukraine and the North Caucasus because it was universally recognized that northern seed gave much better yields than the southern grown seed, which by the third generation becomes extremely low in yield.

Potato Experiments

Studying this problem, Lysenko concluded that potatoes grown in the south changed in yield characteristics during the long warm storage period between maturity and the date of planting the next year, before which time it often became necessary to break off the sprouts several times and the tubers consequently became soft and wrinkled. Not being able to supply each potato growing enterprise with a cold storage plant so that sprouting could be prevented by keeping potatoes at a dormant temperature, Lysenko decided on an absolutely new thing—to grow seed potatoes in the fall!

Instead of planting all of his good seed in the spring, he left part (enough for planting an area that would yield sufficient seed potatoes for the next year's planting) to be planted in the summer. He planted long season varieties such as "Boltman" on June 20 and early season varieties such as "Early Rose" between July 10 and 20. In spite of fall droughts, such seed plots gave good yields of large firm vitallic potatoes when planted on spring plowed fertilized land which had been kept free from weeds under a mulch which preserved the moisture. By experimentation, Lysenko found that yields from such seed plots were not inferior as seed material to northern grown seed, even when reproduced for several generations in that way. Each year, enough seed potatoes were left over from the main spring planting to plant a fall seed plot, taking special care to keep the seeds for summer planting in a cool place until that time. Thus, Lysenko again showed that environment did change the potatoes, because by supplying the right environment he prevented seed degeneration.

Comparable Yields

By following his method, we were able to maintain yields in the south comparable to those in the north. First, seed potatoes were grown in the fall, after which they went immediately into a cool storage in trenches or cellars until spring yarovization time. Then, the main crop got an early start of two week's growth by virtue of placing formalin-treated seed potatoes in layers one potato thick on the floor and shelves in a sunny room until thick green growths of from one-half to one centimeter in length were visible. The potatoes were then planted at the earliest potato planting season. Moreover, by cutting yarovized seed potatoes in pieces with only two growing eyes each, we were able to cut down seed consumption by 30 to 50 percent. The formalin treatment of 1/300 solution prevented the spreading of disease from potato to potato.

Incidentally, Lysenko has saved the government, that is the Soviet people, some hundreds of millions of rubles in transportation costs annually. I strongly advise central and south China potato growers to take up this method and in general to think more about environmental problems in relation to any crop.

Another Soviet scientist who has come forth with many useful discoveries is the agronomist Tsitsin, who made wheat a perennial crop by hybridization of wheat on rye grass and other perennial grasses. His problem was to get good annual yields in the far north and Siberia, where even spring wheat gave poor yields and winter wheat was out of the question because 1) it often froze out and 2) its planting date was earlier than the harvesting date,

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making it impossible to get more than one crop in two years on the same piece of land.

While hybridization is a long process of further selection, nevertheless in the first few years Tsitsin demonstrated that his idea has practical value, even though the propagation of the perennial had to be done by root cuttings, the process of which he mechanized. When he has finally selected seed that no longer reverts but breeds truly, then the problem of supplying bread to the mining, lumbering, fishing, hunting and other communities of the far north will be simplified still more. (The importance of such developments can better be appreciated when it is realized that transportation in a country as large as Russia is a major problem and that some of these northern areas are virtually inaccesible.) His perennial wheat has wonderful milling qualities, and, when planted in rows that can be cultivated and fertilized, continues to give very high yields for several years, maturing two weeks earlier than spring wheat. With better yields and a saving of seed, the area of perennial wheat will spread, no doubt, to more southern regions. This work is absolutely original, and, while Tsitsin has accomplished a great many other important things for the agriculture of the north and Siberia, it promises to be one accomplishment for which his name will go down in history for many generations.

A third Soviet scientist worthy of mention in this connection is Michurin, who was to Russia more than Burbank was to America, not only for his great mass of horticultural discoveries but also for his general leadership in science and scientific thought. He was a great help to a great many Soviet scientists.

Michurin's teaching was that man must learn all the secrets of nature in order to follow her laws instead of going against them in order to get the best results, and that man can and should thus master nature and make her conform to his every need. This was illustrated by him in so many ways that a great light was opened for Soviet people to all branches of science. Some of his more valuable work includes the selection of new hybrids of apples, especially dwarf varieties, for the north. Combining both variety and a method of pruning, almost making a knee-high vine out of an apple tree, he was able to produce apples in the arctic circle. The tree, besides being an early variety and a hardy type, was protected from the severe frosts during the winter by being covered with snow. Michurin's approach, you see, was really original at the time because he first studied the needs of the common working people, not those of the rich who could get what they needed from any place in the world.

Today, especially in China, a great field is open for those who can and will see the needs of the masses in different localities. Chinese scientists can and will make comparable contributions.

The Week's Business

ACCORDING to official statistics released by the Shanghai Military Control Commission's trade department, a total of 21 foreign ships entered the port of Shanghai, carrying to this city 9,405 tons of imported goods and 102,000 barrels of gasoline from June 6 to 20.

Shipping was hit by the rumor that mines had been laid by Kuomintang warships off the mouth of the Yangtze River. It was only in the fourth week of June that it was definitely established that the mouth of the Yangtze River was not mined. During the 10 days that the harbor was closed considerable loss was suffered by the shipping companies, business firms and the general populace of Shanghai.

However, this did not end shipping troubles. The Kuomintang regime in Canton announced that the China coast now held by the People's Liberation Army would be blockaded as of June 26. On June 21, Kuomintang planes bombed the British ship s.s. Anchises of the Blue Funnel Line and caused considerable damage to the ship. The planes also bombed and set fire to the oil tanks of the Asia Petroleum Company.

Although both Washington and London have expressed indignation over this move of the Kuomintang, it is not yet clear whether foreign countries will recognize the blockade.

The new authorities in Shanghai are continuing to push their program of increased production. In this connection, important figures have been compiled by the Shanghai Industrial Association regarding the general industrial condition in Shanghai. According to these statistics:

1) Three hundred forty six factories operating before the liberation of Shanghai are continuing their operations after the liberation.

2) One thousand four hundred and two factories which had suspended operations before the liberation resumed their operations after the liberation.

3) Five hundred fifty nine factories which resumed operations either before or after the liberation are still not operating at full capacity.

4) Two thousand five hundred and nine factories which had suspended operations before the liberation have not yet found it possible to resume operations.

Prices in general have remained steady during the past two weeks. The best indication of the current stability can be seen from the value of the commodity units announced daily by the Bank of China in accepting the deposits in kind. These deposits facilitate the depositors in maintaining the value of the money which they deposit because they are calculated in terms of the prices of medium grade rice, coal briquettes, peanut oil and cotton cloth. The value of the commodity unit of these four kinds of commodities, published each day, has fluctuated little during the past eight days since the introduction of the deposit in kind system.

Commodity Value Unit for Deposits in Kind

June 14	JMP302
15	305
16	315
17	315
18	307
20	307
21	312
22	311

Another indication of the steady conditions can be seen from the quotations of foreign exchange at the Foreign Exchange Market of the Bank of China. The following list gives the quotations for each day since the opening of the Market:

Foreign Exchange Quotations

	US$	Pound Sterling
June 10	JMP1,800	—
11	1,700	—
13	1,700	JMP4,500
14	1,700	4,300
15	1,700	4,250
16	1,650	4,150
17	1,650	4,250
18	1,650	4,250
20	1,650	4,250
21	1,650	4,300
22	1,650	4,300
22	1,650	4,250

A comparison of the commodity prices during the past week will also show the steady trend. The prices of some commodities actually dropped.

	June 15 JMP	June 22 JMP
US Dollar	1,700	1,650
Silver Dollar	1,200	1,200
20's yarn	287,500	335,000
12-lb. cloth	14,400	14,950
Rice	13,300	13,200
Peanut Oil	33,000	37,500
Coal briquette	2,200	2,200

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MAO TZE-TUNG ON CHINA'S FUTURE GOVERNMENT

Text of address to the preparatory meeting of the new Political Consultative Conference on June 15, 1949.

THE preparatory meeting of our new Political Consultative Conference opens today. The task of this meeting is to accomplish all preparatory work necessary for the swift convening of the new Political Consultative Conference to form a democratic coalition government so as to lead the people throughout the country to clean up the remnant forces of the Kuomintang reactionaries with all speed, unify all China, and carry out political, economic, cultural and national defense reconstruction, systematically and step by step, on a nation-wide scale. The people throughout the country hope that we will do this, and we should do it.

The convening of the new Political Consultative Conference was proposed to the people throughout the country by the Communist Party of China on May 1, 1948. Democratic parties and groups, people's organizations, and democratic personages of all circles throughout the country, national minorities in the country, and overseas Chinese abroad quickly responded to this proposal. The Communist Party of China, democratic parties and groups, people's organizations and democratic personages of all circles throughout the country, national minorities in the country and overseas Chinese abroad all deem that the rule of imperialism, feudalism, bureaucratic capitalism, and the Kuomintang reactionary clique must be overthrown, a Political Consultative Conference embracing the representatives of democratic parties and groups, people's organizations, democratic personages of all circles, national minorities in the country, and overseas Chinese abroad must be convened to announce the establishment of the People's Democratic Republic of China and elect a democratic coalition government representing this republic. Only thus can our great motherland free herself from her semi-colonial and semi-feudal fate and travel along the road of independence, freedom, peace, unity, strength and prosperity. This is the common political basis. It is the common political basis for the unified struggle of the Communist Party of China, democratic parties and groups, people's organizations, democratic personages of all circles, national minorities in the country, and overseas Chinese abroad. It is also the common political basis for the unified struggle of people throughout the country. This political basis is so firm that no divergent opinion has been raised by any conscientious democratic party or group, people's organization or democratic personage. They all hold that only such a course is the correct direction for solving all of China's problems.

People throughout the country supported the People's Liberation Army and won the war. This great People's Liberation War has lasted three whole years since it began in July, 1946. This war was launched by the Kuomintang reactionaries with the help of foreign imperialism. The Kuomintang reactionaries treacherously tore up the January, 1946 truce agreement and the resolutions of the Political Consultative Conference when they launched this civil war against the people. But within only three years they have been defeated by the heroic People's Liberation Army. Not long ago, the People's Liberation Army advanced bravely and crossed the Yangtze River after the peace plot of the Kuomintang reactionaries was exposed. Nanking, capital of the Kuomintang reactionaries, has been taken. Shanghai, Hangchow, Nanchang, Wuhan and Sian have been liberated. The various field armies of the People's Liberation Army are advancing in the southern and northwestern provinces in a great march never witnessed in the history of China. In three years, the People's Liberation Army has wiped out 5,590,000 reactionary Kuomintang troops. Up to the present, Kuomintang renmant forces, including regular and irregular troops and military organizations and schools in the rear, number only about 1,500,000 men. The cleaning up of these enemy remnants will still take some time, but it will not be long before they are cleaned up.

This is the victory of the people throughout the country and is also the victory of the peoples of the world. The whole world, except for the imperialists and reactionaries of various countries, is jubilant over this great victory of the Chinese people. The struggle of the Chinese people against their enemies and the struggle of the peoples of the world against their enemies bear the same meaning. Together, the people of China and the peoples of the world witnessed the following fact: The imperialists directed the reactionaries in China to oppress the Chinese people brutally with counter-revolutionary war; the Chinese people victoriously struck down the reactionaries with revolutionary war.

At this point, I think it necessary to call people's attention to the fact that the imperialists and their running dogs, the Chinese reactionaries, will not take their defeat in this land of China lying down. They will still work in collusion with each other and use all possible means to oppose the Chinese people. They will, for example, send their lackeys to bore into China to carry out work of disintegration and disruption. This is inevitable and they will certainly not forget this work. They will, for instance, egg on the Chinese reactionaries, or may in addition even come out with their own forces to blockade the seaports of China. They will do this if it is still possible for them to do so. Furthermore, if they want to be adventuristic, the sending of part of their armed forces to encroach on China's frontiers is not an impossibility. We must fully take all this into account. We must decidedly not, because of our victories, relax our vigilance towards the wild retaliatory plots of imperialist elements and their running dogs. Whoever relaxes such a vigilance will be politically disarmed and be placed in a passive position. Under these circumstances, the people throughout the country must unite and smash firmly, thoroughly, cleanly and completely all the anti-popular conspiratorial schemes of the imperialists and their lackeys, the reactionaries in China. China must be independent, China must be liberated, the affairs of China must be decided on and dealt with by the Chinese people themselves, and not the slightest intervention by any imperialistic country must be allowed.

The revolution of China is a revolution by the masses of the people of the entire nation. Except for the imperialists, feudalists, bureaucratic bourgeoisie, Kuomintang reactionaries and their henchmen, all persons are our friends. We have a broad and consolidated revolutionary united front which is so broad that it includes the working class, peasant class, petty bourgeoisie and national bourgeoisie, and which is so consolidated that it has the powerful will and inexhaustible capacity to vanquish all enemies and conquer all difficulties. We are now in an era in which the imperialist system is heading towards complete collapse. The imperialists are bogged in an inescapable crisis, and no matter how they still want to continue to oppose the Chinese people, the Chinese people have the means to win final victory.

At the same time, we wish to declare to the whole world: We only oppose the imperialist system and its conspiratorial schemes against the Chinese people. We are willing to negotiate the establishment of diplomatic relations with any foreign government on the basis of principles of equality, mutual benefits and mutual respecting of territorial sovereignty, provided it is willing to sever relations with the Chinese reactionaries and no longer helps or works in collusion with them, and provided it adopts a real, and not hypocritical, attitude of amity towards the China of the people. The Chinese people are willing to carry out friendly cooperation with the peoples of all countries in the world in restoring and developing international trade relations so as to favor the development of production and the bringing about of a flourishing economy.

All conditions for convening the new Political Consultative Conference to form the democratic coalition government have matured. The people throughout the country look forward eagerly to the convening of the conference and the setting up of the government. I believe that the work which we have begun can satisfy this hope and moreover it will not be long before this hope is satisfied.

Once the democratic coalition government of China is formed, its center of gravity of work will be: 1) To clean up the remnants of the reactionary cliques and suppress their activities; 2) to use all means and exert utmost efforts in rehabilitating and restoring the economic work of the people, while at the same time rehabilitating and developing the people's cultural and educational work.

Once the destiny of China is in the hands of the people, the Chinese people will see a China rising like the sun from the east and shining on the earth with its brilliant rays, and see her swiftly wash away the dirt left behind by the reactionary government, heal the scars of war and build up a new, strong and prosperous people's democratic republic of China which will be true to its name.

Long live the People's Democratic Republic of China! Long live the democratic coalition government! Long live the great unity of people throughout the country!

NEWS OF THE WEEK

Mao Calls For Early Session Of PCC; Preparatory Group Formed

THE most important political event of the past week was the formation of a preparatory committee of the long-awaited new Political Consultative Conference. The first plenary session of the committee was held in Peiping beginning June 15 and concluded its business on June 19, after electing a standing committee of 21. Mr. Mao Tze-tung, chairman of the Central Executive Committee of the Chinese Communist Party, was elected chairman of the standing committee, assisted by five deputy chairmen, including General Chow En-lai, well-known leader of the Chinese Communist Party; Marshal Li Chi-sen, chairman of the Revolutionary Committee of the Kuomintang; Mr. Shen Chun-ju, responsible leader of the Democratic League of China; Mr. Kuo Mo-jo, famed writer; Mr. Chen Hsu-tung, director of the Commercial Press; and Mr. Chen Chia-keng, prominent overseas Chinese leader in the South Seas.

Under the standing committee there are created six sub-committees. The first sub-committee is entrusted with the task of determining what parties and organizations are to be invited to take part in the forthcoming new political consultative conference. The second sub-committee is to draft the organic law governing the new political consultative conference. The third sub-committee is to work out a common program. The fourth sub-committee is to map a plan for the formation of a new government for the People's Democratic Republic of China. The fifth sub-committee is to draft a manifesto to be issued by the new Political Consultative Conference. The sixth sub-committee is to decide on China's national flag, national emblem and national anthem.

* * *

Broad Basis

The preparatory committee of the new political consultative conference has a total membership of 134, representing 23 units. Distribution of delegates to the committee is given below:

Organization	No. of delegates
Communist Party of China	7
Democratic League of China	7
The Revolutionary Committee of KMT of China	7
The Association of Democratic National Reconstruction	5
Non-partisan democrats	6
The Democratic Promotion Association of China	4
The Peasant and Worker Democratic Party of China	5
The People's National Salvation Association of China	5
The Fraternity of the Members of San Min Chu I	5
The Democratic Promotion Association of the Kuomintang	4
The Tze Kung Party	4
The People's Liberation Army	7
The All-China Labor Federation	7
Peasant Unions in Liberated Areas	8
Democratic industrialists	7
Cultural leaders	7
Democratic professors	7
The All-China Federation of Democratic Youth Organizations	6
The All-China Federation of Democratic Women's Organizations	6
The All-China Federation of Student Unions	4
The Shanghai Association of Civic Bodies	4
National Minority Representatives	6
Democratic Overseas Chinese Leaders	7

In his opening address delivered before the first session of the preparatory committee of the new political consultative conference, Communist Chairman Mao Tze-tung said the task of the preparatory committee is to convene the political consultative conference at an early date so that a democratic coalition government may be formed to lead the Chinese people throughout the country in a common and determined struggle for cleaning up the remnants of the reactionary forces and for embarking on a nation-wide program for economic, cultural and educational reconstruction.

* * *

Foreign Policy

Mr. Mao also reiterated the readiness of the new China to establish formal diplomatic relations with foreign countries on the basis of equa-

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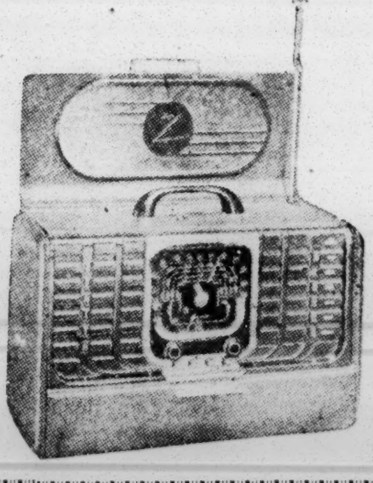
Public Address Systems
Electrical Appliances
Radio Parts Etc.



lity, reciprocity and mutual respect for sovereignty and territorial integrity. However, he warned the Chinese people against new plots and intrigues of the imperialists and their henchmen in China. He emphasized that no foreign intervention in China's domestic affairs will be tolerated.

The leaders of the different democratic parties and groupings were unanimous in paying high tribute to the Chinese Communist Party and Mr. Mao Tze-tung for the sweeping victory of the Chinese revolution. They displayed willingness and determination to fight under the leadership of the Communists for a new China—a free, independent, democratic and prosperous China.

It is understood that 510 delegates representing 45 organizations will be invited to attend the forthcoming formal session of the New Political Consultative Conference. According to official reports, distribution of the delegates has been fixed as follows:

Representatives of the various political parties	142
Representatives from different areas	102
Representatives from the army	60
Representatives from different people's organizations	206

It is understood that on July 7, anniversary of the outbreak of the war of resistance, the various parties and mass organizations which serve on the preparatory committee of the new political consultative conference will issue an important statement.

The holding of the new Political Consultative Conference is being eagerly awaited throughout the country. It is generally believed that the conference is the prelude to the formation of a central government for the whole of China.

Chairman Mao Tze-tung's report to the plenary session of the preparatory committee was prominently featured in the world press. According to *Reuter*, Mao's speech has created a favorable impression all over the world.

It was the first time, *Reuter* stressed, that an utterance of Mr. Mao had evoked such widespread interest abroad, and it indicated the eagerness of the Western countries to ascertain the attitude of the Chinese Communist Party toward international relations in the face of its military ascendancy. It was further disclosed that commercial and industrial quarters in London and New York believed Mao's address would serve to encourage further optimism for the foreign trader in China. Qualified circles in London, it was said, expressed the view that the prominence accorded Mr. Mao's speech indicates a dramatic world-wide acceptance of his new position in China.

* * *

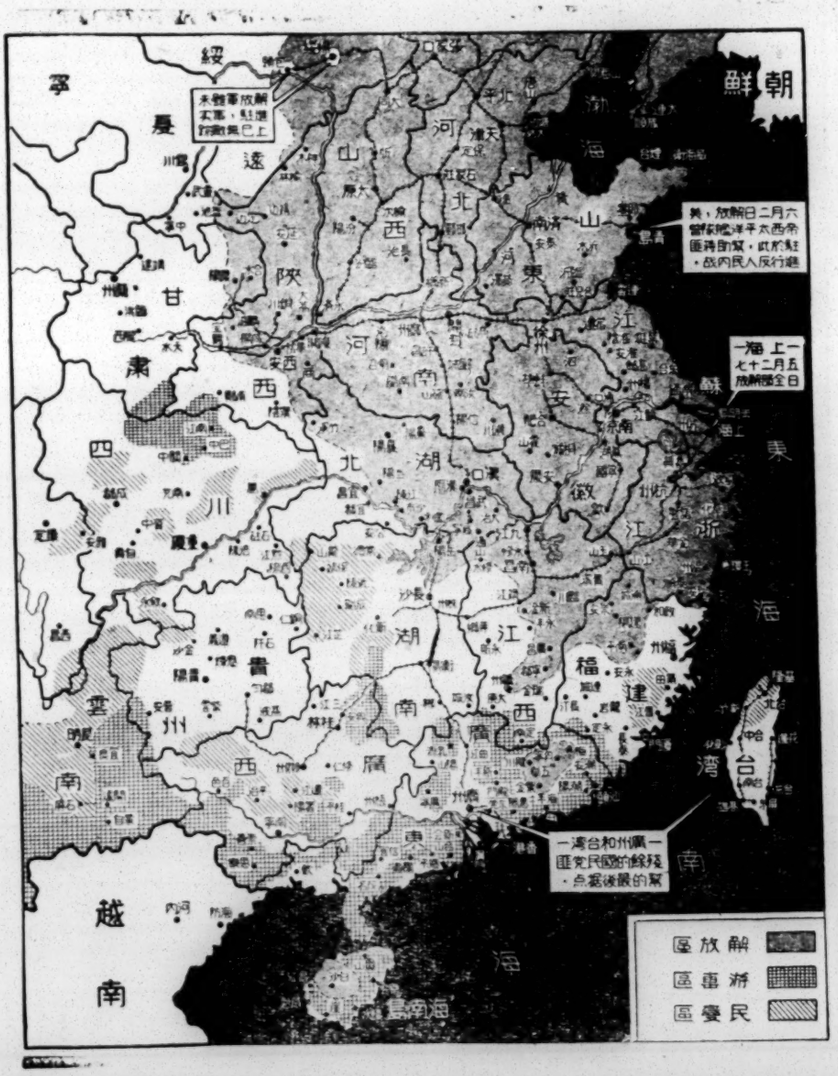
False Rumor

THE alleged mining of the mouth of the Yangtze River by the Kuomintang Navy, which was given front page space for several days by the local English-language dailies, has turned out to be a baseless rumor. The *Giefang Rhbao* has charged that the whole thing was a shabby political trick perpetrated by the foreign imperialists in an effort to obtain an entering wedge for continuing their aggression against China. Chinese sources have cited the chronology of events from the emergence of the rumor until its falsity was shown as evidence of the part played in the spread of the story by local foreign papers and news agencies.

On June 10 the British-owned *North China Daily News* printed on the front page a story stating that all shipping into and out of Shanghai had been stopped because Kuomintang mines "might have been dropped" in the Yangtze River mouth. The *United Press* reported on June 13 that "Nationalist naval patrols are maintained at Shanghai's south channel entrance to blockade the port from outside shipping," and quoted a "well informed source" as saying that the Kuomintang naval units blockading Shanghai are probably based on Chusan Island, 65 miles south of the channel entrance.

In commenting upon the alleged mining, the *Associated Press* stated: The situation it an awkward one for the Communists who at present lack ships and trained personnel to ascertain whether the waters are actually mined and if so to clear them. Shippers pointed out that the Nationalists by simply creating suspicion that the Yangtze mouth was mined have won the effect of sharply curtailing shipping if not halting it altogether at a time it was just beginning to resume."

In less than 24 hours after the rumor first appeared, Vice-Admiral Oscar C. Badger, commander of US



This war map, reproduced from the Shih Chieh Tze Shih (World Culture), shows the part of China in the hands of the People's Liberation Army (shaded), areas where PLA guerrillas are active (checked), and those where people's revolts against the KMT have been reported. Virtually all of China north of the Yangtze River is liberated, with the exception of the Northwest provinces. South of the Yangtze, PLA troops have penetrated deep into Fukien and Kiangsi provinces. Guerrillas are active all along the southern coast and in most of Kwangtung and Kwangsi provinces. Yunnan is rife with guerrilla activity and people's revolts, and revolts have spread over a large area in western Hunan. The map also shows an active guerrilla area in Szechuen province at the Kansu border.

In Chinese Magazines . . . .

World Culture

THE tremendous and farreaching consequences the liberation of China may have on the various countries in Southeast Asia is discussed in the Magazine *World Culture* of June 17. It is the belief of the magazine that the victory of the Chinese revolution will give fresh impetus and inspiration to the national liberation movements in the various colonial and semi-colonial countries in Southeast Asia.

The magazine writes: "The revolutionary forces of the Chinese people have overthrown the reactionary regime in China, which has the support of American imperialism, thus liberating China as a whole. In addition, the liberation of China is a staggering blow to all the imperialists, weakening the control of the imperialists over the various colonial countries in Southeast Asia. These colonial countries are densely populated and rich in natural resources. It is only to be expected that the revolutionary struggle in the colonial countries in Southeast Asia will learn from the victorious revolutionary war in China. Militarily, they will carry on guerrilla warfare. Politically, they will build up a united front by rallying the various parties, groupings and non-partisan elements. Diplomatically, they will march hand in hand with the democratic world camp headed by Soviet Russia and with the anti-aggression and peace-loving people in the different countries all over the world in order to resist foreign imperialism and native reactionary forces. In short, the victory of the national liberation war in China has strengthened the belief of the colonial countries in Southeast Asia in their ultimate victory and will enable them to understand more clearly what course they should follow under present conditions."

Then the magazine proceeds to analyze the activities of American and British imperialists in the various countries in Southeast Asia. It points out:

"After World War II, the colonial countries in Southeast Asia nominally remained under the control of such western imperialists as Britain, France and Holland. But it must be pointed out that during the course of the second world war, American imperialism took advantage of the weakened positions of these three countries to extend its influence in Southeast Asia. Having controlled these imperialist countries, American imperialism helped them to suppress with brute force the revolutionary struggles in the colonial countries in Southeast Asia. Such being the case, what the revolutionary movements in the colonial countries in Southeast Asia seek to overthrow is not only their direct oppressors—British, French and Dutch imperialists but also American imperialists who hold both the western imperialist powers and their colonies in their firm grip.

"During the past year, American imperialism has succeeded in controlling the political, economic and military affairs of Britain, France and other Marshall Plan countries through the notorious Marshall Plan, the so-called bilateral agreements and the recently-signed Atlantic Pact. At the same time, the colonies of these countries all over the world have been placed under the control of American capitalists. Under the pretext of stockpiling strategic materials, American imperialism has sought to obtain an unlimited supply of vital raw materials from the various colonial countries. Besides, all important ports and harbors in the colonial countries which are essential to an American military adventure have been placed under the control of American imperialism in one way or another. The Marshall Plan countries which possess colonies in Southeast Asia have sold out not only their interests at home but also their colonies as well to American imperialism.

"In order to curry favor with the United States, the Marshall Plan countries find it necessary to take up the refrain of the anti-Communist and anti-Soviet chorus of the United States. Ever since the spring of last year, British, French and Dutch imperialists have charged that the anti-imperialist movements in the various countries in Southeast Asia are manipulated by the 'Cominform for Southeast Asia' and are therefore 'manufactured in Moscow.'

"In May of last year, the self-styled British Socialist Government of the Labor Party threw off its mask and carried out wholesale shooting of native and Chinese workers in Malaya. This repression campaign was preceded by a violent anti-Communist statement issued by Mr. MacDonald, special commissioner of the British Government for Southeast Asia. The day after he released this statement, MacDonald flew to Nanking, where he discussed with the Kuomintang reactionaries and with the American authorities in China effective measures to be taken for suppressing the native and Chinese people in Southeast Asia. After June 17, British imperialists went a step further, proclaiming martial law throughout Malaya and emergency regulations were enforced. By the end of August of 1948, 1,592 persons had been arrested for offenses against the said regulations. It is reported that so far only 60 persons of those arrested have released while the others have either been shot or are still in jail."

Under such circumstances, it is only to be expected that all left-wingers have had to carry on underground work in order to continue their struggle against imperialism, the magazine says.

naval forces in the West Pacific, said in Tokyo that he had reissued a previous warning to American shipping that Shanghai waters were unsafe. He further stressed that according to his information the "waters were definitely dangerous for commercial shipping." Badger said the Kuomintang "has the right to cut off the territory held by enemy forces according to rules of war."

Badger's statement, it was charged, both by its timing and its content, openly supported any blockade of People's-held areas by the KMT Navy. Another significant point about this alleged mining business, it was charged, was that both the British-owned *North China Daily News* and the American-owned *Shanghai Evening Post* joined in asking the Military Control Commission and the People's Government in Shanghai to seek foreign assistance in solving this problem. A "foreign naval authority" told the *North China* that two minesweepers with the proper equipment and trained personnel could clear the harbor entrance of mines in a matter of hours. He further said: "As far as could be ascertained there are no minesweepers here. However, any vessel of shallow draft could easily be converted into a minesweeper. The Chinese Maritime Customs is believed to have several vessels of shallow draft, including boom defense vessels turned over by the United States Navy."

The *Shanghai Evening Post* carried an editorial on June 11, urging the People's Government in Shanghai to "get the facts—and act" by calling for "expert foreign volunteers." Among other things which Chinese sources found objectionable in the editorial were:

"The whole thing may be more than a sham. It is up to the authorities to set at rest any doubt on this point without delay. If mines have been laid, through procedure contrary to international law, the Communists not only owe it to themselves and everyone else to do all in their power without delay to clear the mines and patrol the river, but they would be justified in calling for expert foreign volunteers in the mine-clearing part of the job. There would be nothing contrary to international law in foreign help to deal with a nasty situation which if prolonged will strangle the life of civilian Shanghai."

In another editorial on the same subject, the same paper openly suggested seeking the "active aid of American and British naval forces." It said, "So far as we can see, the active aid of American and British naval forces would be justified in order to safeguard international shipping in and out of Shanghai. Similar safeguards should be provided, with foreign help, in other weak points dangerous to Shanghai's welfare. Up to now, the new authorities have given protection to the foreigner but otherwise bypassed him. Now is the time for a more active partnership to develop in the common interest . . ."

The foregoing quotations, Chinese sources charge, speak for themselves. It is very clear that the interested foreign quarters deliberately circulated such rumors to serve special political purposes—to use the alleged naval blockade as a weapon to frighten the Chinese Communists into seeking "active aid from the American and British naval forces" in "safeguarding" Shanghai's "welfare."

While this seems to be the general Chinese opinion of the matter, the whole affair, it is reported, is being investigated by the proper authorities and some official statement may possibly be forthcoming. So far, the closest thing to an official statement has been contained in four articles apppearing in the *Giefang Rhbao*, the position of which, on the whole, accords with the foregoing paragraphs.

In short, the prevailing Chinese opinion seems to be: The foreign powers, realizing that there is no further use in supporting the KMT, which is doomed, have been casting about for a means of gaining contact with the new authorities on a favorable basis. They finally hit upon the idea of starting a rumor that the Yangtze had been mined, figuring that the new authorities might find it difficult to cope with such a situation and that the foreigners then could step in and do them a favor by sweeping the river. Thus contact would be established in a manner which would give the foreigners a dominant position since the Peoples Government would be beholden to their new foreign friends.

Local observers generally sympathetic with the new authorities point out that while one can only speculate as to the source of the original rumor pending an official investigation and decision, it was to be expected that the Chinese would resent the manner in which the foreign press handled the story. China has suffered considerably in the past because of the dominant position of foreigners. This, they say, is especially true in the matter of national pride. The People's Liberation Forces have constantly worked toward removing this feeling of "inferiority," pointing out that the people of China have not only thrown off a bad regime, but have managed, entirely by their own efforts, to get rid of a government which was receiving active material and moral support from abroad. Naturally, the authorities would resent the implications contained in many of the stories concerning the mining carried in the local foreign press to the effect that foreign help was necessary for removing the mines.

* * *

US Recession

THE business slump in the United States has caused considerable concern and speculation. The *Associated Press* reported June 18 from New York:

"Industrial production fell again. Unemployment climbed. Steel operations were lower for the ninth consecutive week. Tension increased in labor circles."

In US Magazines . . . . .

National Guardian

IN connection with the current news reports from America concerning rising unemployment figures and the possibility of a depression, an article in the March 14 *National Guardian* on the state of the American economy is of interest. It is written by A. Yugow, whom the editors identify as a "distinguished economist and statistician.... connected for a quarter-century with the German and French progressive movements before he came to the US in 1940."

The article says: "United States production today is approximately twice as high as it was before the war. The income of industrialists has risen sharply: corporate incomes in 1948 were six times higher than those of 1939. But the share of the total earnings of workers and employees in the national income has diminished by four percent in comparison with 1939.

"If US industry is to be able to sell its output, it needs government orders and subsidies of many billions of dollars.

"The minimum demand of the population for automobiles, refrigerators, washing machines, tractors, threshers, furniture, footwear, clothing, etc. has already almost reached its saturation point in the three post-war years. But purchasing power is not rising because of the artificial unhealthy situation in the United States.

"Recently published data show that the majority of the country's population has an income of not more than US$1,200 for single persons and not more than US$3,000 for families.

"With such earnings, people cannot make large purchases of anything that is not a prime necessity . . .

"The entire post-war economy has been built on an unsound foundation —on a military budget and on orders under the Marshal Plan.

"The government proposes that Congress appropriate 15-17 billion dollars for military needs and another 5-6 billion for the Marshall Plan, the North Atlantic Pact, etc.

"The billions necessary for these expenditures are taken from the wide masses of the population and given to the corporations which, as reports show, retain the lion's share of these sums as profits.

"This means that there is a redistribution of wealth from the laboring masses to big capital. And that, in turn, means that the basic condition for a healthy economy is absent—the population's purchasing power not only does not grow, but, on the contrary, is diminished.

"Since production acquires an ever more military character, the country is wasting the national wealth, producing commodities that have no socially useful value, and therefore falling into the power of ever-increasing inflation.

"Such a policy is inevitably 'self-consuming.' The sick economy demands repeated and ever larger doses of medicine. We have begun with five-billion-dollar subsidies and have already reached 20 billion. How much will be required in 1950?

". . . In economics, as in politics, the US ruling circles stubbornly refuse to take real steps towards health. Internal purchasing power could be raised considerably by a radical change of the country's economy in the direction of satisfying the people rather than the corporations. And a policy of cooperation with the Soviet Union, support of the progressive movements of the peoples of Europe, Asia and Africa, economic agreements with the USSR and the countries of popular democracy and China, as well as economic aid to the 'backward peoples of the world'—according to the Wallace-Roosevelt plans and not according to Truman's plan—could rapidly improve and strengthen the economy of the United States."

Depends On The Magazine

(The United Fruit Company) has created an immense financial and political power that is now abandoning the dismal 19th-century routine of thoughtless exploitation....If only for the sake of Americans employed by United Fruit, the fight against tropical diseases had to be fought; if only for the sake of continuing profits, the national economies of the countries in which United Fruit operates could not be allowed to fail. That is why in 1944 United Fruit opened the Pan-American School of Agriculture in Honduras, which prepared its graduates to assume agricultural leadership in their communities—and, why the company has introduced crops successfully grown in Africa but new to the Americas. No one has ever mistaken the United Fruit Company for a philanthropic enterprise....And no one thinks that it operates with the sole aim of furthering the Good Neighbor Policy in Central America....But here is a powerful industry operating in a non-industrial foreign area, learning that its interests and responsibilities coincide.

—The Reporter, April 26, 1949.

Elsewhere Latin Americans were stirring uneasily in the grip of the United Fruit Company. In Guatemala, workers on the banana plantations went on strike to enforce the country's labor code. United Fruit, disdaining the code, fired 10,000. The company, which controls railroads as well as shipping in Guatemala, cut off normal supplies entering the port of Puerto Barrios and proceeded to suppress the "rebellion" by starving the town. Newspapers and radio stations, also owned by the company, assailed the workers and the government....The Guatemalian government protested..that the company ought to abide by the laws of the land. In Panama, too, officials of the United Fruit Empire had their hands full. The law said that 75 percent of the company's employees in Panama must be Panamanians, but the company found that West Indians would work for less. Never stumped by legalisms, United Fruit last week was still hiring more West Indians for work in Panama.

—National Guardian, March 7, 1949

What US Papers Say...

ECONOMIC relations with China and the current business slump in the United States were topics discussed in American newspapers.

* * *

Trade With China

SPECULATING on future US trade relations with China, the *Minneapolis Star* asked: "What are to be our relations with a Communist-governed China?" and concluded: "A practical, realistic, long range view seems to indicate we must recognize the Communists' government and do business with them. Despite the risks involved, there's a chance, and probably a good one, that political recognition plus a cautious trade policy might woo New China from its doubtful friends, the Russians."

The *New York Herald Tribune* felt the Communists "are likely to change the patterns of Chinese trade somewhat but realize they can neither keep present industries in operation nor carry out their plans for further industrialization without extensive trade with Western nations." However, the *Tribune* expected that the proportion of China's imports coming from the US would diminish. "There will be little loss to us involved in this decline of trade," it added, "as a large part of what Americans have sent to China in recent years has been paid for by the American Treasury."

In a different vein, the *New York Times* expressed its approval of the nomination for Kuomintang Foreign Minister of Dr. Hu Shih, who subsequently declined the position, and at the same time encouraged Dr. Hu not to go back to China. The *Times* said: If Dr. Hu is persuaded to accept this appointment it may prove to be to the advantage of China that he is already fortuitously in the US. His return to active and public service of his country would be a great gain for China in this tragic time, and it could well be that his first and most important service could be rendered in the US."

* * *

Depression Talk

THE *Washington Star* declared that fears that the current recession in the US may develop into a depression comparable to that in 1929 are "unwarranted." The paper said:

"It is true, of course, that the stock market is depressed, that consumer buying has declined, that production has tapered off in many industries, that unemployment has grown substantially, and that the present trend, should it continue without letup, conceivably could throw us into a tailspin. But there are sound facts behind the belief expressed by State authorities, in a survey conducted by the *Associated Press*, that no real emergency impends . . .

"To begin with, when measured against the condition that probably more than 60,000,000 Americans are gainfully employed right now, a jobless total of about 3,280,000 can scarcely be regarded as very serious or spectacularly abnormal . . . When the Census Bureau next reports on the subject, the figure may be more than 4,000,000, but even then —especially because the increase will be attributable chiefly to high school and college students seeking part time work—calamity-howling will still seem altogether premature.

"For the truth is that the basic factors in our economy look much too healthy to invite a repetition of what happened in 1929 . . . In 1929, for example, personal debt of all kinds was very large; the stock market was greatly inflated by wild speculation; national income totaled only about $83,000,000,000; cash and bank deposits amounted to a mere $55,000,000,000; people did not have savings bonds; local, State and Federal benefit payments to individuals added up to no more than $1,000,000,000; bank failures were multiplying fast, with no insurance for depositors; farm prices received negligible support; wage rates were low; after a long period of expansion, industry had met postwar needs and consumer demand was weak.

"By way of contrast, 1949 offers the following picture: the burden of personal debt is relatively light; the stock market is too deflated, too lacking in speculation, to experience anything like the crash of 1929; national income is about double what it was 20 years ago; cash and bank deposits triple those in 1929; people have individual savings bonds worth almost $50,000,000,000; Government benefit payments—to veterans, farmers, social security beneficiaries, etc. — approximate $12,000,000,000 yearly; there are no bank failures, and most depositors are insured up to $5,000; farm prices are strongly supported: wage rates are high; despite a decline in consumer spending—influenced in part by a bargain-hunting desire to wait and see whether prices will continue to drop—the demand for housing, automobiles, and durable goods in general is still enormous . . .

"The depression-breeding conditions of 1929 do not exist in our economy today. On the contrary, considering such factors as our current income, purchasing power, very high employment, and yet-to-be-satisfied consumer needs in many fields, we have a situation so conducive to continuing prosperity that it is hard to believe that our 'disinflation' is anything more than a transition from our recent inflation to a new point of stability."

The unemployment problem is particularly disturbing. Henry Wallace's Progressive Party in a public statement issued at the end of a two-day meeting of the party leaders from 29 states warned that the United States cannot avert a "full-blown depression" which has already begun. The statement forecasts 10,000,000 unemployed by next winter.

At the same time, the Public Affairs Institute, a Labor and liberal-sponsored "non-profit, nonpartisan, fact-finding" body, predicts 8,000,000 unemployed by this time next year if the present economic decline continues. The review of the Institute says:

"It is too late in the down swing of the economic cycle to effect a balanced budget by cutting government expenditure. . . Major budget cuts will now only aggravate the present economic decline."

According to *Reuter*, United States Government economists in Washington believe the country's unemployment figure may go on climbing—perhaps to a point near 5,000,000—before recovery factors check a rise. It is reliably reported that more than 3,000,000 people are already out of jobs. Rising unemployment and swelling relief rolls have led five American states to pass depression style relief laws and at least seven cities to revive "work relief" projects.

Government leaders and big business joined in under-rating the gravity of the situation and told the public that there is nothing to worry about. The *Associated Press* stressed that its nation-wide survey indicates no national emergency and most states are certain they will be able to handle relief loads in stride. It concluded on a hopeful note, saying: "It indicated that joblessness has dwindled or stabilized in at least ten States in recent weeks or months. It showed that almost everywhere, unemployment insurance has been a 'cushion' to keep most laid-off workers off 'poor relief' until they found new jobs."

Responsible executives of General Motors pointed out that "business is dropping to a lower level in a very orderly manner and there is nothing as unsettled today as in 1929 and 1930." Many businessmen and industrialists believe consumer buying could halt the business decline.

Government circles in Washington blamed the present economic crisis on "pessimistic talk." According to the *Associated Press*, "a belief gain-

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ed ground during the past week that pessimistic talk and high prices are hurrying business along a downward path." Then it added:

"Despite dark spots one economist called them cloudy but not murky. Business leaders said there is no fear of a real depression. They warned, however, we can frighten ourselves into a real recession."

The business and labor situation, however, seemed to be following its own economic laws rather than either the "pessimistic talk" of various observers or the "optimistic talk" of Government officials.

* * *

Agreement On Berlin

AFTER the month-old conference in Paris, the Big Four Foreign Ministers finally agreed on the conclusion of an Austrian peace treaty and a "live and let live" arrangement between the occupying powers in Germany.

The communique issued by the Foreign Ministers disclosed that they had agreed to instruct their deputies to resume work immediately to reach agreement on completing a draft peace treaty for Austria by September 1 this year. The communique stated that Austria's frontiers would be the same as those of January 1, 1938, before the Germans marched in, that Austria would pay no reparations, and that the Soviet Union would receive US$150 million in convertible currency to be paid in six years.

The German agreement announced that further four-power consultations would be held in New York next September to consider the next Big-Four meeting on Germany. The New York agreement on the lifting of the Berlin blockade and counter-blockade would be maintained and four-power consultations would continue in Berlin. Steps would be taken to improve West-East trade.

The communique further said that though the Foreign Ministers at this meeting had been unable to reach agreement on the restoration of economic and political unity in Germany, efforts will be made to "mitigate the effects of the present administrative divisions" of that country. Expansion of trade between the zones and between the sectors of Berlin will be sought; the movement of people and goods between East and West Germany will be facilitated, and consideration is to be given to achievement of a normal life "as far as possible" for Berlin.

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What Chinese Papers Say...

THE circulation of reports by foreign-owned newspapers and foreign news agencies about the mining of the mouth of the Yangtze River by Kuomintang navy was sharply criticized. The formation of a preparatory committee of the long-awaited new Political Consultative Conference was widely hailed as marking the beginning of a new China.

* * *

Mining Of Yangtze

THE *Gietang Rhbao* took a very serious view of the false reports about mining the mouth of the Yangtze. It said:

"That American and English imperialists, together with their accomplices the reactionary KMT elements, choose to start this rumor must not be taken lightly. It is indeed one of their plots to work against the interests of the Chinese people by scheming to blockade our ports and disrupt our lines of communication.

"Insofar as we have all along seen through their artifice, we have accordingly remained absolutely calm and cool and waited for further developments by refusing to make any statement whatsoever about the alleged threat of KMT mines at the mouth of the Yangtse. The reason for our silence is easily understandable. Inasmuch as it requires both technical skill and material equipment to undertake the mining of wide expenses of the sea, we are sure that the KMT is not in a position to do it without the direct supply of mines by the American and English imperialists. Since the KMT is unable to carry out the mining by itself, there must be some definite end in view for the American and English imperialists and the KMT to criminally lie about the mining of the mouth of the Yangtse.

"Awed by the Chinese people's glorious victory in their fight for liberation, and realizing that the KMT is definitely doomed to extinction, imperialistic America and England are adopting a new course in their aggression against China by turning from military assistance towards Chiang to intensification of their political and economic plots against China. With this end in view, they are fain to adopt the vilest means and to resort to espionage activities in their attempt to spread malicious rumors so as to intimidate the People's Liberation Army and the Shanghai People's Municipal Government into falling into the political and economic trap prepared by them.

"They thus harped on the themes that American, English, or international cooperation is indispensable for sweeping the mouth of the Yangtse, and that America and England are prepared to offer the use of mine sweeping equipment and personnel. Even Commander-in-Chief Badger of the US Western Pacific Fleet played his part in the hoax by adopting an alarmist attitude in his lurid statement. As a matter of fact, their designs should be clear to all thinking people."

Then the paper cautioned: "We hereby give solemn warning to American and English imperialists together with the remnant reactionary elements of the KMT: It behooves you people to open your eyes to recognize the true significance of the current situation and its future possibilities. The Chinese people of this new era are different from the Chinese people of any other period in history. They have, by their own strength, freed themselves from the chains of imperialism, of feudalism and of bureaucratic-capitalism. That the crucially tested Chinese people, under the correct leadership of the Chinese Communist Party and of their Chairman Mao Tse-tung, can no longer be bullied by any attempts at intimidation, can be shown by the disastrous defeats suffered by American imperialism, when it undertook to order the KMT reactionaries to attack the Chinese people. . .

"British Imperialism has shown itself to be most interested in the above incident and has done the most. The *North China Daily News* is directly responsible for starting the rumor. Insofar as the Chinese people cannot allow anybody to have the freedom to carry out criminal activities detrimental to the interests of the people, the People's Government must look into the case to determine where does the true responsibility of this criminal action lie."

* * *

Political Conference

THE *Ta Kung Pao* described the successful conclusion of the present session of the preparatory committee of the new Political Consultative Conference as the brightest spot in the whole of Chinese history. It editorialized:

"The occasion may well be taken as the brightest and most animating spot in the whole of China's lengthy history. It means that all obstacles to a people's democratic administration have now been swept aside by the revolutionary war of the people under the leadership of the Chinese Communist Party, and that the Chinese people are now confident of being able to build up their own nation. In so far as the three years of the war of liberation have thoroughly crushed the tottering empire of feudalism, imperialism and bureaucratic capitalism and a decisive military victory has been achieved, this Preparatory Meeting must be considered as the corner-built."

The Review's English Lesson—LXXXVI

THIS WEEK'S text is an editorial that appeared in the June 14 issue of *The Shanghai Evening Post and Mercury*, entitled "Shanghai's New Snobocracy—The Pseudo-Proletariat."

Title: Newspaper writers are always looking for headlines that catch the eye. This can be done by using unusual words or phrases, or words that the writer makes up to convey his point. In the present instance, the writer reveals his attitude immediately by **snobocracy**, which is an uneasy alliance between "snob" (one who fawns upon his superiors and repels those he considers his inferiors) and "-ocracy" (from such words as "aristocracy"; the second half of the word comes from the Greek **kratein**, to be strong, to rule). Thus the word suggests that a class of snobs have arisen in Shanghai. But who are the members of this unpleasant group? The made-up word **pseudo-proletariat** explains ("pseudo" means bogus, false; "proletariat" means the class of wage-laborers, who, not possessing the means of production, must sell their labor-power in order to live). They are bourgeois posing as expropriated laborers.

The headline indicates that the writer would hate to be a bogus proletarian; the first paragraph of the text shows that he thinks he is rather a bogus capitalist:

> **Some of us in Shanghai clearly cannot qualify under any terms for seats on the proletarian bandwagon...It would be childish and undignified to try. An American editor, for example, is obviously a pseudo—or (in the new phraseology) "bogus"—capitalist. That is, he is a believer in and defender of the principle of individual initiative, alias capitalism, but however much initiative he may personally display he cannot prove title to any great amount of capital. Since the mental climate is the determining factor, there would be no use in pretending that he qualified for membership in any dictatorship set up by the proletariat.**

Analysis of this paragraph presents some difficulty; fortunately, the writer has defined "**capitalism**", although not until the middle of the paragraph. "**Capitalism**", we learn, is "**individual initiative**" ("**individual initiative, alias capitalism**": "**alias**" means otherwise called); this must suffice for our present purpose, which is to analyze a paragraph written in English. Another authority, however, defines capitalism as the ownership of the means of social production and employment of wage labor by a certain class.

Other terms may be unclear to our readers. "**Bandwagon**", colloquially used, means an imaginary vehicle carrying leaders whose candidate or cause has captivated the populace. "**To climb on the bandwagon**" thus means to rush precipitously to ally oneself with, or to curry favor with, the new bosses. "**Obvious**" means easily understood, plain, evident; its use here is not clear, for, although an American editor **may** bs a "bogus capitalist", it is not necessary that he be. He may even be a genuine capitalist, bogus proletarian, or proletarian-capitalist.

"**Prove title to**": establish ownership of.

"**Mental climate**": attitude of mind.

In this first paragraph, the writer seems to be saying that "*an American editor*" cannot qualify for a seat "*on the proletarian bandwagon*" because his "*mental climate*" is "*the determining factor*" (we are not told exactly what this factor is, or what it determines, but we must assume that this means he is in spirit, if not in actuality, a capitalist).

* * *

SPACE limitations prevent our quoting extensively from the rest of the editorial, which is quite long. After the opening paragraph, the writer takes someone severely to task for stating that the Chinese Communist Party is the only party representing the workers and peasants—the proletariat. The writer quotes Marx and Engels extensively to prove that the peasants, especially, are reactionary; approves Trotsky for his denunciation of Chinese Communism for turning to the peasants; and concludes triumphantly to prove, by quoting Chairman Mao Tse-tung, that the present revolution is not creating Communism, but the New Democracy. In addition to the careless definitions, contradictions and cloudiness in this bit of journalistic flotsam, the choice of words is often emotive rather than dispassionate. We have already indicated how the words chosen (or manufactured) can carry an emotional weight, either for or against the idea or topic being discussed. Presumably nobody would want to belong to the "**snobocracy**" or the "**pseudo-proletariat**". In the first paragraph, notice for example how the banner of "**individual initiative**" is unfurled, while the opposite party is associated with the bogey of "**dictatorship**".

The writer of the editorial, referring to the statement that the Chinese Communist Party is the only one representing the workers and peasants, calls it "**delicious**". This word was chosen evidently to show the writer's scorn for such an idiotic statement, and his anticipated relish in destroying it. As indicated above, the writer did destroy it—by quoting Marx—and then vindicated it—by quoting Chairman Mao.

In the midst of a severe criticism of Chinese Communism for carrying the Communist banner but not putting it into practice, the writer says that "**instead there has been land reform and redistribution, which might and should have been done by an honest and courageous Kuomintang.**" The previous connection of the words "**pseudo**" and "**dictatorship**" and "**proletariat**" and the present connection of "**honest**", "**courageous**" and "**Kuomintang**" is an interesting example of the motive use of words.

One sentence runs thus: "*And here let us surprise those whom we chastise for their apparent ignorance.*" Use in this way, "*apparent ignorance*" seems to mean not real, actual ignorance; in other words, knowledge. The writer is chastising certain people for their knowledge, and this must certainly surprise them—that is, if they managed to read so far and still had the strength to be surprised at anything.

NEW BOOKS OF INTEREST

Blasted Hopes

CHINA'S ECONOMIC STABILIZATION AND RECONSTRUCTION.—*By D. K. Lieu. Published by Rutgers University Press, New Brunswick, N. J., under the auspices of the Sino-International Economic Research Center, New York, and the China Institute of Pacific Relations, Shanghai, 1948.—159 pp.—Reviewed by J.S.*

THE volume under review aims at being comprehensive, narrative and analytic; and it, therefore, has definite limits. But after pursuing it from cover to cover one is surprised that such a wealth of material can be packed into 159 pages. Beginning with a general survey of the economic background, the author goes on to discuss questions of policy in the relative importance of agriculture and industry, agrarian reform, "key factory planning," scope of state enterprises and control of population. Two chapters are devoted to basic problems of economic reconstruction and new problems created by the war.

The currency problem is adequately treated. Mr. Lieu has many expedients to control inflation which were actually attempted by the KMT Government; and his suggested measures for currency stabilization are eminently sound and workable provided of course, as he points out, the budget could be balanced or the deficit reduced to a minimum. But KMT rule in 1948 was already showing signs of disintegration into chaos: and the Gold Yuan fiasco was perhaps inevitable, since the losses were borne by the people.

Mr. D. K. Lieu is an outstanding statistician. In his two concluding chapters on the questions of foreign trade, balance of payments and foreign capital, and in his Appendix an abundance of factual materials is given.

* * *

THE author is less happy in the field of politics. At the outset he decides to deal with only economic questions, leaving out of consideration political topics but subsequently he must have found it impossible to suppress the bias of personal outlook, as the following quotations will show:

"It is beyond the power of the Chinese nation or the Chinese Government at present to stop either the civil war or the inflation. Chaotic economic conditions are favorable to the Communists, and the longer the war drags on, the stronger their position will be." . . . "It is no use to regret, as a Chinese friend of the writer does, that at one time some years ago there was a possibility of reconciliation between the Chinese Government and the Communists. Conditions have changed considerably since, and we must face the situation realistically as it exists today." . . . "I do not mean to oppose a peaceful settlement of the civil war. If that could be done, it would probably be a quicker solution of the political problems. However, what I am interested in are the economic problems of stabilization and reconstruction, of which the former is the more urgent. The Chinese people, and not this or that political party, have borne the brunt of the suffering."

These statements, which show Mr. Lieu struggling in deep waters, are all found on page 131, and yet he says in the Introduction (page 4):

"In discussing the economic problems of any country, we usually take its social, political and historical background as it is, and do not attempt to consider how its social and political problems should be solved in order to effect a more complete solution of its economic ones."

It is not the purpose here to ridicule Mr. Lieu for making a wrong guess as to how (to use his own words) a more complete solution of China's economic problems might be effected, but rather to show that a completely objective study of his subject is not possible. He must have, and he is entitled to have, his own perspective and angle of vision.

A more relevant point is the value of a cold-blooded analysis of China's economic structure that does not take into account what goes on beneath the economic processes—the human desires and aspirations unknown to the purely "economic man." Any picture of China's distance is partial and misleading if it does not probe beneath the surface of things to the profound changes which find expression in human effort and sacrifice and the struggle against feudal survivals. While it is true that peasant proprietorship and a more equitaple distribution of land will not solve all our agrarian problems, it is equally true that the problems involved are not merely of a technical nature. Chinese history for a good reason has been divided by one writer into ten cycles, each of which consists of four stages and ends with an agrarian revolution. But, of course, the dynamics of history are beyond Mr. Lieu's scope.

Because of the rapid political and military developments now taking place in the country, Mr. Lieu's book makes interesting reading. In it one sees how sound proposals have been wrecked in execution and how defects in human organization and direction have made KMT rule a tragedy of marred and blasted hopes.

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